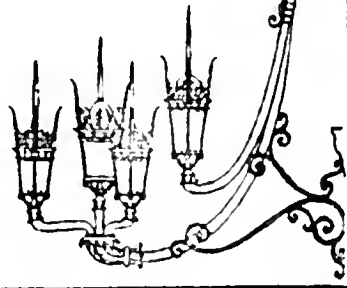


BOSTON
PUBLIC
LIBRARY

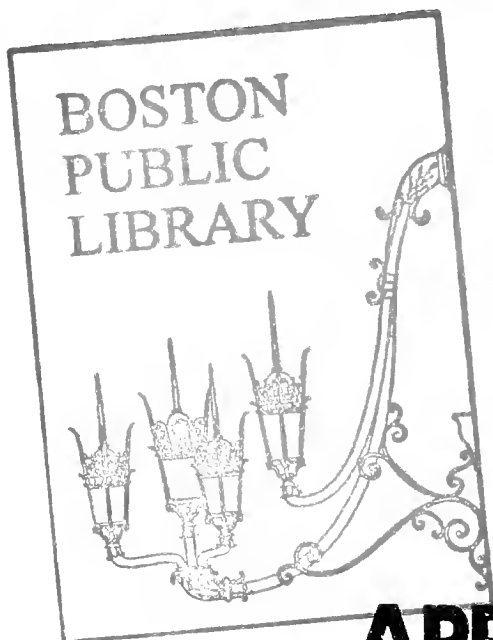




Project # 1
BOSTON REDEVELOPMENT AUTHORITY
Library

URBAN DEVELOPMENT ACTION GRANT APPLICATION

COLUMBIA POINT



PENINSULA
REVITALIZATION
PROGRAM

APPENDIX

Project # 1
BOSTON REDEVELOPMENT AUTHORITY
Library

COLUMBIA
POINT
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DAG APP.

Project # 1
BOSTON REDEVELOPMENT AUTHORITY
Library



APPENDICES

BOSTON PUBLIC LIBRARY

Property Of
BOSTON REDEVELOPMENT AUTHORITY
Library

- Appendix 1 Three Party Agreement Regarding Residency at the Columbia Point Housing Project - BRA, BHA and Tenants Task Force
- Appendix 2 Resolution of City Council
- Appendix 3 Teachers' Union Lease with Attached Summary Sheet
- Appendix 4 Joint Venture Agreement between CMJ and OBC, Inc. (To Be Submitted by August 15, 1982)
- Appendix 5 Phase I Bayside Exposition Center - Detailed Income and Expense Statements (January, 1983-July 1987)
- Appendix 6 Phase I Bayside Exposition Center - Notes on Development and Operating Pro Formas
- Appendix 7 Development Agreement Between BRA and Bayside Associates on Phase II Development of Uphams Corporation Parcels
- Appendix 8 CDBG Neighborhood Capital Improvements - Program for Continued Revitalization: 1979-1982
- Appendix 9 City of Boston - CEDS Documents
- Appendix 10 City of Boston: CEDS Committee Resolution with Regard to Columbia Point
- Appendix 11 Corporate Background of Corcoran, Mullins, Jennison, Inc. - A Joint Venture Partner of Bayside Associates
- Appendix 12 Corporate Background of O'Connell Brothers Construction Company, Inc., a Joint Venture Partner of Bayside Associates
- Appendix 13 Columbia Point Market Study: Retail Market, September, 1979
- Appendix 14 Citizen Participation Process: Public Notice of Advertisement

APPENDIX 1

Three Party Agreement RE:
Residency at the Columbia
Point Housing Project-BRA,
BHA and Tenants Task Force

APPENDIX I

THREE PARTY AGREEMENT REGARDING RESIDENCY AT COLUMBIA POINT HOUSING PROJECT - BRA, BHA AND COLUMBIA POINT COMMUNITY TASK FORCE, INC.

INTRODUCTION

The Columbia Point peninsula is located only three miles southeast of downtown Boston with excellent views of that area, the Harbor Islands and Dorchester Bay. The entire peninsula encompasses 351 acres, with two miles of shoreline, mostly in public ownership.

From the original settlement of the Town of Dorchester in 1630 until 1869, the peninsula was the town's calf pasture. As the City of Boston grew, the need for an improved sewer drainage system prompted it to construct a main sewage line down Mt. Vernon Street and, in 1883, to build a pumphouse to pump the sewerage through a tunnel under Dorchester Bay to reservoirs at Moon Island.

In 1915, the Boston Consolidated Gas Company manufactured gas from coke just south of the sewage pumping station. This use was abandoned in 1933 when a permit was granted for dumping refuse on the site. It was not until 1962 that the state legislature directed the City to prohibit all dumping of trash or refuse on Columbia Point.

The land on which the housing project and the Bayside Mall are built was originally tidal flats or salt water marsh. Very little fill was done on this site until the late 1930's when the Boston Edison Company purchased the land for disposal of fly ash and rubbish. In 1942, the current site of the Bayside Mall was filled to nearly the present shoreline for the construction of an Italian prisoner of war camp. Veterans were housed in the wooden frame structures for a short period of time following the war.

In 1953, the existing 1,504 unit public housing development was constructed, containing 12 3-story and 15 7-story buildings scattered over 37.7 acres of land. In order to support this housing, the Dever Elementary School, St. Christopher's Church and McCormack Middle School were built between 1957 and 1965.

Development of the Columbia Point peninsula was accelerated by the opening of the Southeast Expressway in 1959. Several new businesses relocated or opened along Morrissey Boulevard at the southern edge of the peninsula between 1960 and 1966, including WHDH radio station, the Dickie-Raymond Company building, the Boston Globe, the First National Bank Computer Center and the Bayside Mall.

However, despite this substantial though uncoordinated development during the 1950's and 1960's, Columbia Point remained an isolated section of the City, dominated by New England's largest public housing project, a sewer pumping station, light industrial uses along Morrissey Boulevard, and remains of the old dump site.

The 1970's brought renewed hope for business and institutional development on the peninsula, as the First National Bank expanded its computer facility and acquired the WHDH radio station. Further, the State constructed the University of Massachusetts Harbor Campus, investing some \$160 million, and the JFK Library was completed in the fall of 1979. Finally, in 1980 the Massachusetts legislature directed the University to transfer a parcel of land south of the Kennedy Library as a site for the new State Archives building.

This development, however, coincided with the deterioration of the public housing project and the Bayside Mall. The number of residents at the public housing site declined substantially, as unit vacancy rates rose from 9.7% in 1966 to 75% today. At present, less than 400 of the original 1,504 units are occupied, and more than half of the buildings are boarded up.

The major chain stores occupying the Bayside Mall began closing in the early 1970's due to security, management and marketing problems, and by 1975, the mall was vacant except for a bank. The original owners defaulted on their mortgage to the John Hancock Mutual Life Insurance Company, forcing John Hancock to foreclose. However, necessary steps have been taken to secure and maintain the mall buildings, which remain in good condition.

The increased business and institutional investment on the peninsula accompanied by the deterioration of its housing and retail facilities sparked several revitalization efforts. A 1973 Task Force composed of representatives from the City of Boston, the Boston Housing Authority, the Boston Redevelopment Authority, the University of Massachusetts, the Massachusetts Housing Finance Agency, the Columbia Point tenants, the Dorchester and South Boston neighborhoods, recommended that 4,000 mixed income units be built or renovated; the current residents be given the option to remain; and, that retail and public facilities be revitalized.

The 1977 Peninsula Planning Committee, consisting of representatives from the major institutions and businesses on the peninsula, residents and local government, concurred with the 1973 Task Force recommendations, adding that institutional development, recreational facilities, transportation improvements and job creation should be considered.

The 1977 Planning Committee further laid the groundwork for what subsequently became the Columbia Point Redevelopment Agreement, signed by the Columbia Point Community Task Force, Inc. BHA and BRA in February, 1979. (The Columbia Point Community Task Force, Inc. is a body of eight residents elected to represent all the tenants.) The Redevelopment Agreement contains the general principles upon which the Developer Selection Kit is based. It specifically supports, in addition to other items, a revitalized housing development on Columbia Point with ancillary services and facilities to support a residential community, resident rehousing, a mixed-income, integrated community, employment training and jobs for Peninsula residents.

In accordance with the 1977 Peninsula Planning Committee recommendations, in 1978 the BHA, with the support of the BRA and Task Force, submitted an application for a \$10 million Urban Initiatives Grant for the Columbia Point public housing development. The application was approved. The Three Party planning process has continued since 1978 and has led to the Resident Rehousing Agreement dated April 8, 1981 (included as an Appendix), offering Columbia Point tenants, residing on the peninsula as of that date, the option to be rehoused in the event of redevelopment. The Three Party planning process has also resulted in concurrence on the basic objectives of the redevelopment program set forth in this Developer Selection Kit.

COLUMBIA POINT PENINSULA REDEVELOPMENT AGREEMENT

THIS AGREEMENT entered into this 21st day of February, 1979, by and between the Columbia Point Community Task Force, Inc. ("Task Force"), a corporation organized and existing pursuant to Chapter 130 of the Massachusetts General Laws, the Boston Housing Authority ("BHA"), a body corporate and politic organized and existing pursuant to Chapter 121B of the Massachusetts General Laws, and the Boston Redevelopment Authority ("BRA"), a body corporate and politic organized and existing pursuant to Chapter 121B of the Massachusetts General Laws, on the following terms and conditions.

WHEREAS, the Task Force is the elected representative body for all residents of Columbia Point and desires to play a major role in the redevelopment of the Peninsula to insure that it meets the needs of current residents to the maximum extent possible and to insure that it provides a decent environment and will be able to meet the needs of future residents as well; and

WHEREAS, the BHA is the owner of the Columbia Point public housing development and has been allocated ten million (\$10m) dollars for the upgrading of living conditions there under the public housing Urban Initiatives Program and wishes to participate in the revitalization of the Columbia Point public housing development as a part of a redevelopment plan for the Peninsula; and

WHEREAS, the BRA is the planning and redevelopment agency for the City of Boston responsible for coordinating planning and redevelopment of the Peninsula, and has applied for two hundred fifty thousand (\$250,000) dollars in Urban Partnership funds to prepare detailed engineering plans for Columbia Point;

NOW, THEREFORE, the Task Force, BHA and BRA mutually agree as follows:

ARTICLE 1 INITIAL POINTS OF AGREEMENT

The Task Force, BHA and BRA hereby agree on the following general principles with regard to the redevelopment of the Peninsula, being the land area denoted on the map attached hereto as Appendix 1 ("Columbia Point Peninsula"):

1.1 All residents of Columbia Point, on or after July 1, 1977, who wish to remain will be provided decent housing on the Peninsula with housing costs not to exceed 25% of their income as a part of the redevelopment of the Peninsula for so long as they abide by the rules and regulations established for residents on the Peninsula.

1.2 The first phase of the redevelopment of the Peninsula shall include to the maximum extent possible the revitalization of the existing public housing development and the provision of decent housing for current residents of that development.

1.3 The parties hereto generally agree on the following land uses for the land areas as outlined on the map attached hereto as Appendix 1 ("Columbia Point Peninsula"). This parcelization is only to reflect general land uses, not ownership or disposition parcels:

Parcel A. A shopping center to serve the residents of the Peninsula and of nearby areas of the City.

Parcel B. New and rehabilitated housing; a public beach and possibly related public recreational facilities such as a marina, land and facilities for recreational uses; facilities for social and other community service programs; a possible student center; and small convenience and specialty shops to serve residents of the housing development or people using adjacent facilities.

Parcel C. The Kennedy Library and State Archives.

Parcel D. The University of Massachusetts at Boston.

Parcel E. Existing institutions and businesses would remain in this area.

1.4 The Task Force as the representative organization for residents of the Peninsula will be joint participants in the modernization, development and operation of all new and rehabilitated housing on the Peninsula, on terms to be agreed upon as provided for in Section 2.6 hereof.

1.5 All housing provided on the Peninsula will be planned to accommodate a mixture of resident incomes, within each part to the extent legally permissible, in a fashion which provides as good a living environment for lower income people as for those of higher income.

1.6 The development of community facilities and the expansion of social and community services and programs, in conjunction with housing and commercial development, will be carried out at the earliest possible time to serve the residents of the Peninsula.

1.7 As a part of the redevelopment of the Peninsula, present residents of the Peninsula will be provided an opportunity to participate in educational and job training programs and be provided job opportunities with a reasonable opportunity for advancement through opportunities created by housing and commercial development and by the growth of existing businesses and institutions through the redevelopment of the Peninsula. All parties agree to use their resources and best efforts to provide these programs and opportunities for all present residents of the Peninsula and to achieve maximum participation, in these

programs and opportunities for residents, of all other existing institutions and businesses on the Peninsula as well.

1.8 At the earliest possible date, management of the public housing development shall be transferred from BHA to management under contract by a private firm, upon provision of a feasible operating budget and development of a management plan acceptable to BHA and the Task Force. BHA financial obligation for funds for management shall be limited to the Columbia Point pro rata share of the Performance Funding System and any other funds allocated to BHA specifically for management of Columbia Point.

1.9 The BHA and the Task Force will participate, in consultation with the BRA, in the developer selection process for the parcel owned by the BHA. The BHA Board will make the final selection of the developer. In so doing, the BHA Board shall make its choice of a developer from a group of no more than three development teams. Each of these development teams must have been previously approved and recommended by both the BHA staff and the Task Force. The BRA and the Task Force will participate, in consultation with the BHA, in the developer selection process for all remaining parcels to be redeveloped on the Peninsula. The sentences attached hereto as Appendix 4 are hereby incorporated herein.

1.10. The parties agree that the extent of demolition of portions of the public housing development will be determined as a part of the Work Process described below. Any demolition of buildings at Columbia Point shall be carried out only after the agreement of the Task Force and BHA to that demolition as consistent with an overall plan for the Peninsula that effectively meets current and future residents' needs.

1.11 The parties will use their best efforts to insure that there is no reduction in current HUD Annual Contributions Contract funding for Columbia Point.

1.12 The parties hereto will meet weekly -- or otherwise upon agreement of all the parties -- to coordinate their activities.

1.13 As the City agency responsible for coordinating planning and development for the Columbia Point Peninsula, the BRA will convene a Peninsula-wide Planning Advisory Committee consisting of representatives of the Task Force, BHA, existing Peninsula businesses and institutions, and abutting neighborhoods of Dorchester and South Boston. This Committee will advise on Peninsula-wide planning issues, review development proposals and participate as individual entities where appropriate, and where consistent with the overall plan developed hereunder.

ARTICLE 2 ITEMS REQUIRING AGREEMENT

The Task Force, BRA, and BHA agree that in the redevelopment of the Peninsula the following issues must be resolved prior to the implementation of a redevelopment plan:

2.1 More specific locations of new housing, rehabilitated housing, recreational areas, parkland, beach areas, community facilities and small shops.

2.2 Specific range of new and rehabilitated housing units.

2.3 Estimated income mix and occupancy type, i.e., elderly, small family, large family and projected range of financing and subsidy programs to accomplish the estimated mix.

2.4 A plan for desired commercial uses and locations on the Peninsula.

2.5 An overall plan and schedule for redevelopment activities, including the phasing of housing and commercial redevelopment work and timing and selection of participants. Elements of such a plan for the BHA site shall be decided by the BHA and Task Force in consultation with the BRA. Elements of such a plan for remaining parcels on the Peninsula shall be decided by the Task Force and BRA in consultation with BHA.

2.6 The terms of joint participation agreements between the Task Force, housing developer(s) and owners, including BHA, with regard to decision making, work responsibility, and financial arrangements. The parties hereto recognize that specific detailed terms on parcels or phases to be redeveloped substantially after the first phase of redevelopment work may not be able to be arrived at within the time projected herein. To the extent that specific detailed terms on later parcels or phases are not arrived at by the time implementation of the initial phase or phases is otherwise ready to proceed, the parties hereto agree to agree to initial more general terms for Task Force participation for later parcels or phases before proceeding with implementation of the initial parcels or phases and further agree that implementation of the redevelopment of such later parcels or phases shall only be carried out upon agreement to the specific detailed terms of joint participation agreements for such parcels or phases. However, notwithstanding the foregoing, the Task Force and the BRA may agree at any time after the execution of this agreement, to an expenditure of a portion of the BHA Urban Initiatives or modernization funding for development on the BHA site.

2.7 The process for development of the following plans:

2.7.1 Housing management plan, including rules and regulations for the residents of the Peninsula;

2.7.2 Relocation plan;

2.7.3 Job training and employment plan; and

2.7.4 Tenant services and education plan.

2.8 The general mechanics for implementation of an overall housing, commercial and community facilities plan for the Peninsula.

2.9 Developer selection process, developer selection criteria, and roles of each of the parties in the developer selection process.

ARTICLE 3 WORK PROCESS

In the interest of developing a basis for agreement between the parties as to the elements listed in Article 2, and subject to the Task Force, the BHA, and the BRA making their best efforts to meeting the 2/8/79 HUD approved time schedule (attached herein as Appendix #3) the Task Force, BHA and BRA agree to the following work process:

3.1 Over the sixty-day period beginning upon execution of this agreement the Task Force shall carry out the work described in Appendix 2 hereto.

3.2 Over the sixty-day period the BHA will retain a consultant to survey the conditions of the existing public housing properties and prepare a preliminary cost estimate for various rehabilitation alternatives.

3.3 Over the sixty-day period beginning upon the execution of this agreement, the following tasks shall be completed. Each task shall be carried out and reviewed in close consultation with each party hereto, and reviewed in process by all parties hereto. All final studies will include final comments of each party.

3.3.1 The boring and soils analysis work currently being done under contract with BRA and BHA shall be completed.

3.3.2 BHA and BRA staff will conduct a preliminary housing market study with regard to potential new and rehabilitated housing. The BHA will identify low and moderate income market potential and the BRA market rate housing potential.

3.3.3 A preliminary engineering study of the physical requirements and costs of development of a beach area and of the development of housing along the shoreline shall be carried out by the BRA.

3.3.4 The BRA will complete a preliminary market study for the partial redevelopment of the Bayside Mall area to identify commercial uses which can serve the residents of the Peninsula, those commercial uses with a feasible area market and commercial uses which provide the greatest job opportunity for residents of the Peninsula.

- 3.3.5 An up-to-date review of transportation alternatives, costs, funding and agency commitments required will be carried out by the BRA in conjunction with the Metropolitan District Commission and the Massachusetts Bay Transportation Authority, and reviewed with the Task Force and BEA.
- 3.3.6 Several interested developers will be given the opportunity to advise the parties hereto on the redevelopment process in informal sessions with all of the parties attending.
- 3.3.7 A draft developer kit will be assembled by BEA, BRA and the Task Force for discussion purposes. The draft developer kit will be refined throughout the process described above.

3.4 The Task Force, BEA and BRA agree to carry out intensive negotiations over the thirty days following the completion of the work listed above and to use their best efforts to arrive at agreement with respect to a general plan for redevelopment of the Peninsula and the contents of a final developer selection kit.

3.5 Immediately following the completion of work as provided for above, the following will be carried out:

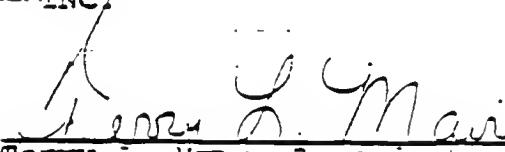
- 3.5.1 Materials necessary for the solicitation of proposals from developers will be finalized by the BEA, BRA and the Task Force. Upon completion, the BRA and BEA will advertise for proposals and proceed with the Task Force with the implementation of the redevelopment plan.
- 3.5.2 An Urban Redevelopment Plan based upon the plan agreed upon in Section 2.5 will be prepared for approval by the BRA Board, the Mayor, City Council and the Massachusetts Department of Community Affairs.

IN WITNESS WHEREOF, the parties hereto set their hand and seal the day and year first above written.

COLUMBIA POINT COMMUNITY TASK FORCE,
INC.




ATTEST

BY: 

Terry L. Man, President

BOSTON HOUSING AUTHORITY

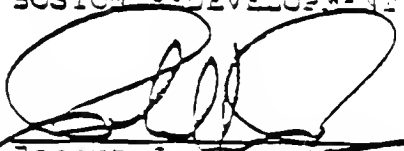
ATTEST

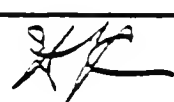
BY: 

Kevin P. Feeley, Acting Administrator

BOSTON REDEVELOPMENT AUTHORITY

ATTEST

BY: 

Robert J. Ryan, Director 



APPENDIX I: COLUMBIA POINT PENINSULA

Appendix 2

COLUMBIA POINT COMMUNITY TASK FORCE

URBAN INITIATIVES WORK PROGRAM AND
PRESENTATION SCHEDULE

Month 1:* Understanding of the Development Process and Major
Development Variables

First Week: Presentation and Discussion of
Sample Development Timetable,
including sponsor decision-making
points and timing of public
commitments

Second Week: Visits to Successful Large Scale
Developments

Third Week: Review and Detailed Discussion of
CMJ Proposal as Basis for Observations

Fourth Week: Presentation and Review of Potential
Timetable for Columbia Point
Redevelopment

Month 2:* Establishment of Parameters for Task Force
Conception of the Future Columbia Point

First Week: Density Analysis - Presentation
and Discussion of Alternative Numbers
and Types of Units and Land Area,
Resulting Population Estimates and
Service and Space Needs and
Economies

Second Week: Massing Analysis - Presentation
and Discussion of Sketches and
Simple Physical Models for Columbia
Point Community

Third Week: Review of Ongoing Inventory of
Current Human Needs

Fourth Week: Coordination of Density, Massing
and Human Needs Analyses

COLUMBIA POINT TASK FORCE

Urban Initiatives Work Program and Presentation Schedule
Page Two

Month 3:* Understanding of Financial, Legal and Program Variables

- First Week: Presentation and Discussion of Current Financial Structure of Columbia Point, including Urban Initiatives Funding
- Second Week: Study of Subsidy, Mortgage, Mortgage Insurance Programs, Equity Financing and other Alternatives and Combinations
- Third Week: Review of Alternative Ownership and Management Forms and the Organizational and Financial Implications of Each
- Fourth Week: Presentation and Discussion of Alternative Financial, Legal and Program Combinations for Columbia Point

Month 4:* Development of Task Force Positions and Guidelines for Columbia Point Redevelopment

- First Week: Presentation and Discussion of Alternative Plans (Reflecting Results of Month 2 and Month 3 Work, including Temporary Relocation Alternatives)
- Second and Third Weeks: Review, Further Analysis of Alternatives
- Fourth Week: Agreement on Development Guidelines and Positions

*Work schedule to be carried out over two month period

COLUMBIA POINT DEVELOPER SELECTION
SCHEDULE OF ACTIVITIES

February 1 - March 19 - Columbia Point Community Task Force carries out work items identified in Agreement between BHA, BRA and Task Force

BHA retains consultant for housing condition survey and preliminary cost estimates for rehab.

February 1 - February 13 - BHA, BRA and Task Force prepare draft developer selection kit for discussion purposes, agree upon scope of work items in agreement.

February 1 - March 16 - BHA and BRA carry out and review with Task Force all work items identified in proposed agreement:

- Borings and soils analysis
- Preliminary housing market study
- Preliminary building reuse engineering and cost study
- Preliminary Bayside Mall market study
- Transportation alternatives
- Informal interviews with developers

March 19 - April 6 - BHA, BRA and Task Force review and agree on results of work tasks and joint preparation of an overall redevelopment plan.

Final BHA, BRA, Task Force review and approval of developer kit.

HUD review of developer kit.

April 9 - April 13 - BHA, BRA prepare and release developer selection kit.

BRA begin detailed preparation of Urban Redevelopment Plan on basis of agreements in developer selection kit.

June 1 - Receive developer proposals

June 1 - June 19 - BHA, BRA, Task Force review developer proposals.

1st week of July - Select and Tentatively Designate Developer(s) (BHA Board, BRA Board)

APPENDIX 4

ADDITION TO SECTION 1.9

Final developer selection for these parcels, upon the establishment of the peninsula as an Urban Renewal Project pursuant to Ch. 121B of the Massachusetts General Laws, will be the legal responsibility of the Board of the Boston Redevelopment Authority. The participation of the Task Force in the developer selection process for these parcels will be provided for by agreement to be developed pursuant to Section 2.9 hereof.

APPENDIX 2
Resolution of City Council

CITY OF BOSTON
OFFICE OF THE CITY CLERK
ROOM 601, CITY HALL

Resolution of City Council

AN ORDER APPROVING APPLICATION BY THE CITY TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR AN URBAN DEVELOPMENT ACTION GRANT FOR THE FIRST AND SECOND PHASES OF THE COLUMBIA POINT MULTI-USE DEVELOPMENT PROJECT

WHEREAS, the Housing and Urban Development Act of 1977 contains provisions for funding of urban development programs under the Urban Development Action Grant (UDAG) Program; and

WHEREAS, the proposed first and second phases of the Columbia Point Multi-Use Development Project will create significant employment and economic benefits to the City; and

WHEREAS, the development of the first phase of the Columbia Point Multi-Use Project for the proposed Bayside Exposition Center requires UDAG funding in the amount of not more than \$4,500,000 to carry forth this project; and

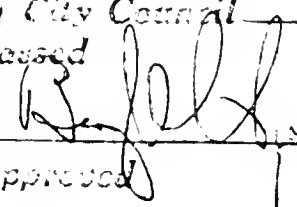
WHEREAS, the development of the second phase of the Columbia Point Multi-Use Project for housing and commercial uses requires UDAG funding in an amount of not more than \$20,500,000 to carry forth this project; and

WHEREAS, the Mayor has submitted to the Council an application for this project, therefore be it

ORDERED: That the Mayor, acting on behalf of the City of Boston, be and hereby is authorized to apply for financial assistance from the U.S. Department of Housing and Urban Development under the Housing and Community Development Act of 1977 (P.L. 95-128), for an Urban Development Action Grant, in the amount of not more than Twenty-Five Million Dollars (\$25,000,000) and in connection therewith to execute and deliver such documents as may be required by the Federal Government and to act as the representative of the City of Boston in connection with said application.

Provided, however, that no funds allocated for Phase I of this project shall be expended until developer kits for Phase II have been advertised and a developer selected by the Boston Redevelopment Authority, the Boston Housing Authority and the Columbia Point Community Task Force with HUD's concurrence; and

Provided, further, that said developer for Phase II shall be required to provide at least 400 permanent units of new or renovated low income housing which shall be guaranteed for use by present tenants at the Columbia Point housing development in a manner agreed to by the Boston Redevelopment Authority, the Boston Housing Authority and the Columbia Point Community Task Force.

In City Council JUL 28 1982
Passed

City Clerk
Approved

Mayor

APPENDIX 3
Teachers' Union Lease with
Attached Summary Sheet

TEACHERS UNION LEASE SUMMARY Teachers' Union Lease With
Attached Summary

LESSOR: John Hancock Mutual Life Insurance Company

LESSEE: Boston Teachers Union

PREMISES: Land and one-story brick building known as Building B. Total Land area equals 115,441 square feet. Building area equals approximately 34,000 square feet.

LEASE COMMENCEMENT DATE: 11/1/76

TERM: Five years with five year renewal option.

RENT: \$89,100 for the first five years;
\$105,600 for the last five years.
Since Lessee completed Tenant Improvements specified in Lease, Rent reduced by \$56,100 for ten year term.

ADDITIONAL RENT: Lessee pays prorata share of real estate taxes, insurance and utilities. Prorata share determined by dividing land area of Premises of 115,441 by total land area of Bayside Mall of 1,155,962 square feet.

OPTION TO PURCHASE: Lessee has option to purchase Premises any time during Lease Term, including during renewal period. Purchase price would be \$550,000 plus unamortized balance of Tenant Improvements.

Final Copy

L E A S E

ARTICLE I

Reference Data

1.1 Subjects Referred To.

Each reference in this Lease to any of the following subjects shall be construed to incorporate the data stated for that subject in this Section 1.1.

DATE: April 27, 1976

PREMISES: Building B, Bayside Shopping Center,
Dorchester, Massachusetts, as described
in Exhibit A.

LANDLORD: JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY

ORIGINAL ADDRESS OF LANDLORD: 200 Berkeley Street
Boston, Massachusetts 02117

TENANT: BOSTON TEACHERS UNION

ORIGINAL ADDRESS OF TENANT: 38 Chauncy Street
Boston, Massachusetts

TERM: Five Years

ANNUAL FIXED RENT RATE: \$89,100 for each of the first
five Lease Years; \$105,600 for
each of the last five Lease Years

PERMITTED USES: general office purposes; meetings and
conferences; social functions.

PUBLIC LIABILITY INSURANCE LIMITS:
BODILY INJURY: \$500,000/\$1,000,000
PROPERTY DAMAGE: \$100,000

1.2 Exhibits. The exhibits listed below in this section are incorporated in this Lease by reference and are to be construed as a part of this Lease:

EXHIBIT A. Description of Premises.

EXHIBIT A-1 Plan showing the Premises, including appurtenances thereto, if any.

EXHIBIT B. Description of Tenant's Work

1.3 Table of Articles and Sections.

ARTICLE I - Reference Data

- 1.1 Subjects Referred To.....
- 1.2 Exhibits.....
- 1.3 Table of Articles and Sections.....

ARTICLE II - Premises and Term

- 2.1 Premises.....
- 2.2 Term.....

ARTICLE III - Improvements

- 3.1 Tenant's Work.....
- 3.2 Allowance.....

ARTICLE IV - Rent

- 4.1 The Fixed Rent.....
- 4.2 Additional Rent.....
 - 4.2.1 Real Estate Taxes.....
 - 4.2.2 Betterment Assessments.....
 - 4.2.3 Tax Fund Payments.....
 - 4.2.4 Insurance.....
 - 4.2.5 Utilities.....

ARTICLE V - Tenant's Additional Covenants

- 5.1 Affirmative Covenants.....
 - 5.1.1 Perform Obligations.....
 - 5.1.2 Use.....
 - 5.1.3 Repair and Maintenance.....
 - 5.1.4 Compliance with Law.....
 - 5.1.5 Payment for Tenant's Work.....
 - 5.1.6 Indemnity and Liability Insurance.....
 - 5.1.7 Landlord's Right to Enter.....
 - 5.1.8 Personal Property at Tenant's Risk.....
 - 5.1.9 Payment of Landlord's Cost of Enforcement....
 - 5.1.10 Yield Up.....
 - 5.1.11 Estoppel Certificate.....
 - 5.1.12 Landlord's Expenses re Consents.....
- 5.2 Negative Covenants.....
 - 5.2.1 Assignment and Subletting.....
 - 5.2.2 Overloading and Nuisance.....
 - 5.2.3 Installation, Alterations or Additions.....

ARTICLE VI - Casualty or Taking

- 6.1 Termination.....
- 6.2 Restoration.....
- 6.3 Award.....

ARTICLE VII - Defaults

- 7.1 Events of Default.....
- 7.2 Remedies.....
- 7.3 Remedies Cumulative.....
- 7.4 Landlord's Right to Cure Defaults.....
- 7.5 Effect of Waivers of Default.....
- 7.6 No Waiver, etc.....
- 7.7 No Accord and Satisfaction.....

ARTICLE VIII - Mortgagee's Rights

- 8.1 Superiority of Lease.....
- 8.2 Subordination.....

ARTICLE IX - Miscellaneous Provisions

- 9.1 Notices from One Party to the Other.....
- 9.2 Quiet Enjoyment.....
- 9.3 Lease not to be Recorded.....
- 9.4 Limitation of Landlord's Liability.....
- 9.5 Acts of God.....
- 9.6 Landlord's Default.....
- 9.7 Brokerage.....
- 9.8 Approvals and Consent.....
- 9.9 Applicable Law and Construction.....

ARTICLE X - Option to Purchase

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ARTICLE II.

Premises and Term

2.1 Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, subject to and with the benefit of the terms, covenants, conditions and provisions of this Lease, the Premises, together with the non-exclusive right to use Landlord's adjacent premises known as Bayside Shopping Mall for the occasional parking of automobiles.

2.2 Term. TO HAVE AND TO HOLD for a term beginning on the Commencement Date, which shall be the earlier of (a) the first day of the seventh month following the month of execution hereof, or (b) the completion of Tenant's work in accordance with Exhibit B, and continuing for the Term, unless sooner terminated as hereinafter provided. If any other building or portion thereof in Bayside Shopping Mall is purchased leased or taken by eminent domain by the Boston Public School System and used by it for public school purposes during the Term, Tenant shall have the right to terminate this Lease upon 30 days' written notice and upon payment to Landlord of the unamortized portion of the allowance described in Section 3.2 hereof.

ARTICLE III.

Improvements

3.1 Tenant's Work. Tenant agrees that it will perform the work to be done by Tenant specified in Exhibit B, provided that no work shall be done or fixtures or equipment installed by Tenant without written approval of Landlord.

Landlord's approval thereof shall be deemed to have been given if within 20 days of Tenant's submission to Landlord of Tenant's plans therefor, Landlord shall not have communicated to Tenant Landlord's disapproval. Tenant agrees to employ for such work one or more responsible contractors and to cause such contractors employed by Tenant to carry Workmen's Compensation Insurance in accordance with statutory requirements and Comprehensive Public Liability Insurance covering such contractors on or about the Premises in amounts at least equal to the limits set forth in Section 1.1 and to submit certificates evidencing such coverage to Landlord prior to the commencement of such work.

3.2 Allowance. Upon completion of Tenant's work in accordance with Exhibit B, as certified by Tenant's licensed architect, Landlord shall reimburse Tenant for the cost of such work in the amount of \$350,000. The parties agree that \$56,100 of the Annual Fixed Rent Rate during each Lease Year of the Term shall be attributable to the amortization of the principal amount of the \$350,000 allowance over the ten-year Term at an interest rate of 10% per annum.

ARTICLE IV

Rent

4.1 The Fixed Rent. Tenant covenants and agrees to pay rent to Landlord at the Original Address of Landlord or such other place as Landlord may by notice in writing to Tenant from time to time direct, at the Annual Fixed Rent Rate, in equal installments of 1/12th of the Annual Fixed Rent Rate in advance on the first day of each calendar month included in the Term; and for any portion of a calendar month at the beginning or end of the Term, at that rate payable in advance for such portion.

4.2 Additional Rent. In order that the fixed rent shall be absolutely net to Landlord, Tenant covenants and agrees to pay, as additional rent, taxes, betterment assessments, insurance costs, and utilities charges with respect to the Premises as provided in this Section 4.2 as follows:

4.2.1 Real Estate Taxes. If the Premises shall be separately assessed, Tenant shall pay, directly to the authority charged with collection thereof, all taxes levied or assessed by, or becoming payable to the municipality or any governmental authority having jurisdiction of the Premises, for or in respect of the Premises or which may become a lien on the Premises, for each tax period wholly included in the Term, all such payments to be made not less than 5 days prior to the last date on which the same may be paid without interest or penalty; provided that for any fraction of a tax period included in the Term at the beginning or end thereof, Tenant shall pay to Landlord, within 10 days after receipt of invoice therefor, the fraction of taxes so levied or assessed or becoming payable which is allocable to such included period. Tenant shall promptly after payment thereof furnish Landlord reasonable evidence of each such payment.

If the Premises shall not be separately assessed, Tenant will pay to Landlord as additional rent hereunder, Tenant's pro rata portion of all taxes levied or assessed during the Lease Term against the land and improvements of which the Premises are a part. With respect to the land portion of

said taxes, said pro rata share shall be determined by dividing the total land area of the Premises by the total land area included in such assessment with respect to the building portion of said taxes, unless the building on the Premises is separately denoted, said pro rate share shall be determined by dividing the total ground floor area of the building on the Premises by the total ground floor area of all building included in said assessment. If Tenant shall deem itself aggrieved by any such tax or charge and shall elect to contest the payment thereof, Tenant may make such payment under protest or if postponement of such payment will not jeopardize Landlord's title to the Premises, Tenant may postpone the same provided that it shall secure such payment and the interest and penalties thereon and the costs of the contest on the determination of the proceedings or suit in which such contest may be had, by causing to be delivered to Landlord cash or other security satisfactory to Landlord, or a bond of indemnity of a good and solvent surety company, in form and amount satisfactory to Landlord, which amount shall not be greater than one hundred and twenty-five per cent (125%) of the contested tax or charge. Either party paying any tax shall be entitled to recover, receive and retain for its own benefit all abatements and refunds of such tax, unless it has previously been reimbursed by the other party. Neither party shall discontinue any abatement proceedings begun by it without first giving the other party written notice of its intent so to do

and reasonable opportunity to be substituted in such proceedings. Nothing contained in this Lease shall, however, require Tenant to pay any franchise, corporate, estate, inheritance, succession, succession, capital levy or transfer tax of Landlord, or any income, profits or revenue tax or charge upon the rent payable by Tenant under this Lease; provided, however, that if, at any time during the Term, under the laws of the United States or any state or political subdivision thereof in which the Premises are situated there shall be adopted some other method of taxation on real estate as a substitute in whole or in part for taxes on real estate as now constituted such as tax on the Fixed Rent, Additional Rent or the other charges payable by Tenant hereunder by whatever name called is levied, assessed or imposed against Landlord or the Rent or other charges payable hereunder to Landlord (which substitute tax on the Fixed Rent, Additional Rent, or other charges or other substitute method of taxation are hereinafter collectively referred to as "Substitute Taxes"), Tenant, to the extent that such Substitute Taxes are means of raising revenue from real estate shall pay Substitute Taxes as soon as the same shall become due and payable. In the event that any such Substitute Taxes shall be based upon the income of Landlord, then Tenant's obligation with respect to the aforesaid Substitute Taxes shall be limited to the amount thereof as computed at the rates that would be payable if the same were the sole taxable net income of Landlord but

without deduction or provision for any deductions, exemptions or credits to which Landlord may be entitled in computing the tax Landlord would so bear on account of the Fixed Rent, Additional Rent or other charges then due or thereafter becoming due from Tenant for the taxable period under the terms of this Lease, all as if Landlord were not entitled to any such deductions, exemptions or credits.

4.2.2 Betterment Assessments. If the Premises shall be separately assessed, Tenant shall pay, directly to the authority charged with the collection thereof, each installment of all public, special or betterment assessment levied or assessed by or becoming payable to any municipality or other governmental authority having jurisdiction of the Premises, for or in respect of the Premises for each installment period partially or wholly included in the Term, all such payments to be made not less than 5 days prior to the last date on which the same may be made without interest or penalty; provided that for any fraction of an installment period included in the Term at the beginning or end thereof, Tenant shall pay to Landlord, within 10 days after receipt of invoice therefor, the fraction of such installment allocable to such included period; provided in the case of each respective assessment that Landlord shall have elected to pay such assessment in installments over the longest period permitted by law. Tenant shall promptly after payment thereof furnish to Landlord reasonable evidence of each such payment. If the Premises

shall not be separately assessed, Tenant will pay to Landlord as additional rent hereunder Tenant's pro rata portion of such assessments, determined by dividing the total land area of the Premises by the total land area included in such assessments. Without postponing the foregoing payments, Tenant may prosecute appropriate proceedings to contest the validity or amount of any assessment with respect to which Tenant is required to make payments as hereinbefore provided, such proceedings to be conducted jointly with any other parties, including Landlord, who have contributed to the payment of such assessments, and Tenant agrees to save Landlord harmless from all costs and expenses incurred on account of Tenant's participation in such proceedings. Landlord, without obligating itself to incur any costs or expenses in connection with such proceedings, shall cooperate with Tenant with respect to such proceedings so far as reasonably necessary. Landlord shall promptly furnish to Tenant a copy of any notice of any public, special or betterment assessment received by Landlord concerning the Premises.

4.2.3 Tax Fund Payments. At Landlord's election, Tenant shall as additional rent, on the first day of each month of the term, make tax fund payments to Landlord. "Tax fund payments" refer to such payments as Landlord shall reasonably determine to be sufficient to

provide in the aggregate a fund adequate to pay all taxes and assessments referred to in subsection 4.2.1 and 4.2.2 of this Section 4.2 when they become due and payable, and all such payments shall to the extent thereof relieve Tenant of its obligations under said subsections. If the aggregate of said tax fund payments is not adequate to pay all said taxes and assessments, Tenant shall pay to Landlord the amount by which such aggregate is less than the amount equal to all said taxes and assessments, such payment to be made on or before the later of (a) 10 days after receipt by Tenant of written notice from Landlord of such amount, or (b) the 30th day prior to the last day on which such taxes and assessments may be paid without interest or penalty. If Tenant shall have made the foresaid payments, Landlord shall on or before the last day on which the same may be paid without interest or penalty, pay to the proper authority charged with the collection thereof all taxes and assessments referred to in said subsections 4.2.1 and 4.2.2 and furnish Tenant, upon request, reasonable evidence of such payment. Any balance remaining after such payment by Landlord shall be accounted for to Tenant annually. All payments made by Tenant pursuant to this subsection 4.2.3 shall, to the extent thereof, relieve Tenant of its obligations under said subsections 4.2.1 and 4.2.2.

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4.2.4 Insurance. Tenant shall, as additional rent,- take out and maintain throughout the Term the following insurance protecting Landlord:

4.2.4.1 Fire insurance, with endorsement for extended coverage No. 4 (or coverage then equivalent or better), debris removal and demolition, in an amount at least equal to the replacement cost of the Building on the Premises, as such replacement cost may from time to time be determined by agreement or by appraisal made at Tenant's expense by an accredited insurance appraiser approved by Landlord which may be required by either party whenever 3 years have elapsed since the last such agreement or appraisal, or alterations or additions increasing cost have been made.

4.2.4.2 Insurance by rent form No. 1 endorsement protecting Landlord against abatement or loss of rent in an amount equal to at least all the Fixed Rent and Additional Rent payable for one year under this Article IV.

4.2.4.3 Comprehensive liability insurance indemnifying Landlord and Tenant against all claims and demands for any injury to person or property which may be claimed to have occurred on the Premises or on the sidewalk or ways adjoining the Premises, in amounts which shall, at

the beginning of the Term, be at least equal to the limits set forth in Section 1.1, and, from time to time during the Term, shall be for such higher limits, if any, as are customarily carried in the area in which the Premises are located on property similar to the Premises and used for similar purposes; and workmen's compensation insurance with statutory limits covering all of Tenant's employees working on the Premises.

4.2.4.4. Insurance against loss or damage from sprinklers and from leakage or explosion or cracking of boilers, pipes carrying steam or water, or both, pressure vessels or similar apparatus, in the so-called "broad form" and in such amounts as Landlord may reasonably require. Also, insurance against such other hazards as may from time to time be required by any bank, insurance company or other lending institution holding a first mortgage on the Premises, provided that such insurance is customarily carried in the area in which the Premises are located on property similar to the Premises and used for similar purposes.

4.2.4.5 Policies for insurance required under the provisions of Section 4.2.4.1 and 4.2.4.4 shall, in case of loss, be first payable to the holders of any mortgages on the Premises under a standard mortgagee's

clause, and shall be deposited with the holder of any mortgage or with Landlord, as Landlord may elect. All such policies shall be obtained from responsible companies qualified to do business in the state in which the Premises are located and in good standing therein, which companies and the amount of insurance allocated thereto shall be subject to Landlord's approval. Tenant agrees to furnish Landlord with policies of all such insurance prior to the beginning of the term hereof and each renewal policy at least thirty days prior to the expiration of the policy it renews. Each such policy shall be non-cancellable with respect to the interest of Landlord and such mortgagees without at least ten days prior written notice thereto. In the event provision for any such insurance is to be by a blanket insurance policy, the policy shall allocate a specific and sufficient amount of coverage to the Premises.

4.2.4.6 All insurance which is carried by either party with respect to the Premises, whether or not required, shall include provisions which deny to the insurer acquisition by subrogation of rights of recovery against the other party to the extent such rights have been waived by the insured party prior to occurrence

of loss or injury, insofar as, and to the extent that such provisions may be effective without making it impossible to obtain insurance coverage from responsible companies qualified to do business in the state in which the Premises are located (even though extra premium may result therefrom). In the event that extra premium is payable by either party as a result of this provision, the other party shall reimburse the party paying such premium the amount of such extra premium. If at the request of one party, this non-subrogation provision is waived, then the obligation of reimbursement shall cease for such period of time as such waiver shall be effective, but nothing contained in this subsection shall derogate from or otherwise affect releases elsewhere herein contained of either party for claims. Each party shall be entitled to have duplicates or certificates of any policies containing such provisions. Each party hereby waives all rights of recovery against the other for loss or injury against which the waiving party is protected by insurance containing said provisions, reserving, however, any rights with respect to any excess of loss or injury over the amount recovered by such insurance. Tenant shall not acquire as insured under any insurance carried on the building any right to partici-

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pate in the adjustment of loss or to receive insurance proceeds and agrees upon request promptly to endorse and deliver to Landlord any checks or other instruments in payment of loss in which Tenant is named as payee.

4.2.5 Utilities. Tenant shall pay directly to the proper authorities charged with the collection thereof of all charges for water, sewer, gas, electricity, telephone and other utilities or services used or consumed on the Premises, whether called charge, tax, assessment, fee or otherwise, including, without limitation, water and sewer use charges and taxes, if any, all such charges to be paid as the same from time to time become due. It is understood and agreed that Tenant shall make its own arrangements for such utilities including the installation of meters, and that Landlord shall be under no obligation to furnish any utilities to the Premises and shall not be liable for any interruption or failure in the supply of any such utilities to the Premises.

ARTICLE V

Tenant's Additional Covenants

5.1 Affirmative Covenants. Tenant covenants at its expense at all times during the Term and such further

time as Tenant occupies the Premises or any part thereof:--

5.1.1 Perform Obligations. To perform promptly all of the obligations of Tenant set forth in this Lease; and to pay when due the Fixed Rent and Additional Rent and all charges, rates and other sums which by the terms of this Lease are to be paid by Tenant.

5.1.2 Use. To use the Premises only for the Permitted Uses, and from time to time to procure all licenses and permits necessary therefor.

5.1.3 Repair and Maintenance. Except as otherwise provided in Article VI, to keep the Premises including, without limitation, all heating, plumbing, electrical, air-conditioning, mechanical and other fixtures and equipment therein in the same order, condition and repair as they are in on the Commencement Date or may be put in during the Term, reasonable use and wear only excepted; to take good care of all lawns and planted areas, if any, and keep in good repair and clean and neat and free of snow and ice all surfaced roadways, walks, and parking and loading areas; and to make all repairs and replacements and to do all other work necessary for the foregoing purposes whether the same may be ordinary or extraordinary, foreseen or unforeseen. It is further agreed that the exception of reasonable

use and wear shall not apply so as to permit Tenant to keep the Premises in anything less than suitable, tenantlike, and efficient and usable condition considering the nature of the Premises and the use reasonably made thereof, or in less than good and tenantlike repair. Landlord shall maintain and keep in serviceable repair the structural portions of the improvements on the Premises, excluding, however, such maintenance or repair of any structural portions altered by Tenant's improvements or required by reason of such improvements.

5.1.4 Compliance with Law. To make all repairs, alterations, additions or replacements to the Premises required by any law or ordinance or any order or regulation of any public authority; to keep the Premises equipped with all safety appliances so required; and to comply with the orders and regulations of all governmental authorities, except that Tenant may defer compliance so long as the validity of any such law, ordinance, order or regulation shall be contested by Tenant in good faith and by appropriate legal proceedings, if Tenant first gives to Landlord assurance satisfactory to Landlord against any loss, cost or expense on account thereof.

5.1.5 Payment for Tenant's Work. To pay promptly when due the entire cost of any work to the Premises undertaken by Tenant so that the Premises shall at all times be free of liens for labor and materials; to procure all necessary permits before undertaking such work; to do all of

such work in a good and workmanlike manner, having first complied with the provisions of Section 5.2.3 hereof, employing materials of good quality and complying with all governmental requirements and to save Landlord harmless and indemnified from all injury, loss, claims or damage to any person or property occasioned by or growing out of such work.

5.1.6 Indemnity. To assume exclusive control of the Premises, and the adjacent sidewalks, if any, and all tort liabilities incident to the control or leasing thereof, and to defend, indemnify and save Landlord harmless from all injury, loss, claim or damage to or of any person or property while on the Premises unless arising from any omission, fault, negligence or other misconduct of Landlord; and to defend, indemnify and save Landlord harmless from all injury, loss, claim or damage to or of any person or property anywhere occasioned by any omission, fault, neglect or other misconduct of Tenant.

5.1.7 Landlord's Right to Enter. To permit Landlord and its agents to enter into and examine the Premises at reasonable times and to show the Premises, and during the last six months of the Term to keep affixed in suitable places notices of availability of the Premises.

5.1.8 Personal Property at Tenant's Risk. That all of the furnishings, fixtures, equipment, effects and property of every kind, nature and description of Tenant and of all persons claiming by, through or under Tenant which, during the continuance of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft or from any other cause, no part of said loss or damage is to be charged to or to be borne by Landlord, except that Landlord shall in no event be indemnified or held harmless or exonerated from any liability to Tenant or to any other person, for any injury, loss, damage or liability to the extent prohibited by law.

5.1.9 Payment of Landlord's Cost of Enforcement. To pay on demand Landlord's expenses, including reasonable attorneys' fees, incurred in enforcing any obligation of Tenant under this Lease or in curing any default by Tenant under this Lease as provided in Section 7.5.

5.1.10 Yield Up. At the expiration of the Term or earlier termination of this Lease: to surrender

all keys to the Premises, to remove all of its trade fixtures and personal property in the Premises, to remove such installation made by it as Landlord may request and all Tenant's signs wherever located, to repair all damage caused by such removal and to yield up the Premises (including all installations and improvements made by Tenant except for trade fixtures and such of said installations or improvements as Landlord shall request Tenant to remove), broom-clean and in the same good order and repair in which Tenant is obliged to keep and maintain the Premises by the provisions of this Lease. Any property not so removed shall be deemed abandoned and may be removed and disposed of by Landlord in such manner as Landlord shall determine and Tenant shall pay Landlord the entire cost and expense incurred by it in effecting such removal and disposition and in making any incidental repairs and replacements to the Premises and for use and occupancy during the period after the expiration of the Term and prior to its performance of its obligations under this Section 5.1.10. Tenant shall further indemnify Landlord against all loss, cost and damage resulting from Tenant's failure and delay in surrendering the Premises as above provided.

5.1.11 Estoppel Certificate. Upon not less than fifteen days prior written request by Landlord, to

execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect and that Tenant has no defenses, offsets or counterclaims against its obligations to pay the Fixed Rent and Additional Rent and any other charges and to perform its other covenants under this Lease (or, if there have been any modifications that the same is in full force and effect as modified and stating the modifications and, if there are any defenses, offsets or counterclaims, setting them forth in reasonable detail), and the dates to which the Fixed Rent and Additional Rent and other charges have been paid. Any such statement delivered pursuant to this Section 5.1.11 may be relied upon by any prospective purchaser or mortgagee of the Premises, or any prospective assignee of any such mortgage.

5.1.12 Landlord's Expenses Re Consents. To reimburse Landlord promptly on demand for all reasonable legal expenses incurred by Landlord in connection with all requests by Tenant for consent or approval hereunder.

5.2 Negative Covenants. Tenant covenants at all times during the Term and such further time as Tenant occupies the Premises or any part thereof:--

5.2.1 Assignment, Subletting, etc. Not to

assign, transfer, mortgage or pledge this Lease or to sublease (which term shall be deemed to include the granting of concessions and licenses and the like), without Landlord's consent which shall not be unreasonably withheld, all or any part of the Premises or suffer or permit this Lease or the leasehold estate hereby created or any other rights arising under this Lease to be assigned, transferred or encumbered, in whole or in part, whether voluntarily, involuntarily or by operation of law, or permit the occupancy of the Premises by anyone other than Tenant; provided however that Tenant may assign this Lease or sublet any portion or all of the Premises to any corporation, partnership, trust, association or other business organization directly or indirectly controlling or controlled by Tenant or to any successor by merger, consolidation or acquisition of all or substantially all of the assets of Tenant. Any attempted assignment, transfer, mortgage, pledge, sublease or other encumbrance shall be void. No assignment, transfer, mortgage, sublease or other encumbrance, whether or not approved, and no indulgence granted by Landlord to any assignee or sublessee, shall in any way impair the continuing primary liability (which after an assignment shall be joint and several with the assignee) of Tenant hereunder, and no approval in a particular instance shall be deemed to be a waiver of the obligation

to obtain Landlord's approval in the case of any other assignment or subletting.

5.2.2 Overloading, Nuisance, etc. Not to injure, overload, deface or otherwise harm the Premises; nor commit any nuisance; nor permit the emission of any objectionable noise or odor; nor make, allow or suffer any waste; nor make any use of the Premises which is improper, offensive or contrary to any law or ordinance or which will invalidate any of Landlord's insurance.

5.2.3 Installation, Alterations or Additions. Not to make any installations, alterations or additions in, to or on the Premises (including, without limitation, buildings, lawns, planted areas, walks, roadways, parking and loading areas) nor to permit the making of any holes in the walls, partitions, ceilings or floors without on each occasion obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld, and then only pursuant to plans and specifications approved by Landlord in advance in each instance.

ARTICLE VI

Casualty or Taking

6.1 Termination. In the event that the Premises, or any material part thereof, shall be taken by any public

authority or for any public use, or shall be destroyed or damaged by fire or casualty, or by the action of any public authority, then this lease may be terminated at the election of Landlord. Upon such termination, all of the obligations of both parties hereunder shall cease except for those accruing prior to such termination. Such election, which may be made notwithstanding Landlord's entire interest may have been divested, shall be made by the giving of written notice by Landlord to Tenant within thirty (30) days after the right of election accrues..

6.2 Restoration. If Landlord does not exercise said election, this lease shall continue in force and a just proportion of the rent reserved, according to the nature and extent of the damages sustained by the Premises, but not in excess of the net proceeds of insurance recovered by Landlord under the rent form No. 1 endorsement of the fire insurance carried by Tenant pursuant to Section 4.2.4.1, shall be suspended or abated until the Premises, or what may remain thereof, shall be put by Landlord in proper condition for use, which Landlord covenants to do with reasonable diligence to the extent permitted by the net proceeds of insurance recovered or damages awarded for such taking, destruction or damage and subject to applicable zoning, building, environmental and land use laws and regulations then existing. "Net proceeds of insurance recovered or damages awarded" refers to the gross amount of such insur-

ance or damages less the reasonable expenses of Landlord in connection with the collection of the same, including without limitation, fees and expenses for legal and appraisal services.

6.3 Award. Irrespective of the form in which recovery may be had by law, all rights to damages or compensation shall belong to Landlord in all cases. Tenant hereby grants to Landlord all of Tenant's rights to such damages and covenants to deliver such further assignments thereof as Landlord may from time to time request. Notwithstanding the foregoing, Tenant shall have the right to maintain a separate Action to recover its moving expenses and the unamortized value of its leasehold improvements.

ARTICLE VII

Defaults

7.1 Events of Default. (a) If Tenant shall default in the performance of any of its obligations to pay the Fixed Rent or Additional Rent hereunder and if such default shall continue for five days or if within thirty days after written notice from Landlord to Tenant specifying any other default or defaults Tenant has not commenced diligently to correct the default or defaults so specified

or has not thereafter diligently pursued such correction to completion, or (b) if any assignment shall be made by Tenant or any guarantor of Tenant for the benefit of creditors, or (c) if Tenant's leasehold interest shall be taken on execution, or (d) if a lien or other involuntary encumbrance is filed against Tenant's leasehold interest or Tenant's other property, including said leasehold interest, and is not discharged within ten (10) days thereafter or (e) if a petition is filed by Tenant or any guarantor of Tenant for adjudication as a bankrupt, or for reorganization or an arrangement under any provision of the Bankruptcy Act as then in force and effect, or (f) if an involuntary petition under any of the provisions of said Bankruptcy Act is filed against Tenant or any guarantor of Tenant and such involuntary petition is not dismissed within thirty (30) days thereafter, then, and in any such cases, Landlord and the agents and servants of Landlord lawfully may, in addition to and not in derogation of any remedies for any preceding breach of covenant, immediately or at any time thereafter and without demand or notice and with or without process of law (forcibly, if necessary) enter into and upon the Premises or any part thereof in the name of the whole or mail a notice of termination addressed to Tenant at the Premises, and repossess the same as of Landlord's former

estate and expel Tenant and those claiming through or under Tenant and remove its and their effects (forcibly, if necessary) without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or prior breach of covenant, and upon such entry or mailing as aforesaid this Lease shall terminate, Tenant hereby waiving all statutory rights (including without limitation rights of redemption, if any, to the extent such rights may be lawfully waived) and Landlord, without notice to Tenant, may store Tenant's effects, and those of any person claiming through or under Tenant at the expense and risk of Tenant, and, if Landlord so elects, may sell such effects at public auction or private sale and apply the net proceeds to the payment of all sums due to Landlord from Tenant if any, and pay over the balance, if any, to Tenant.

7.2 Remedies. In the event that this Lease is terminated under any of the provisions contained in Section 7.1 or shall be otherwise terminated for breach of any obligation of Tenant, Tenant covenants to pay forthwith to Landlord, as compensation, the excess of the total rent reserved for the residue of the Term over the rental value of the Premises for said residue of the Term. In calculating the rent reserved

there shall be included, in addition to the Fixed Rent and Additional Rent, the value of all other considerations agreed to be paid or performed by Tenant for said residue. Tenant further covenants as an additional and cumulative obligation after any such termination to pay punctually to Landlord all the sums and perform all the obligations which Tenant covenants in this Lease to pay and to perform in the same manner and to the same extent and at the same time as if this Lease had not been terminated. In calculating the amounts to be paid by Tenant pursuant to the next preceding sentence Tenant shall be credited with any amount paid to Landlord as compensation as in this Section 7.2 provided and also with the net proceeds of any rent obtained by Landlord by reletting the Premises, after deducting all Landlord's expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, fees for legal services and expenses of preparing the Premises for such reletting, it being agreed by Tenant that Landlord may (i) relet the Premises or any part or parts thereof, for a term or terms which may at Landlord's option be equal to or less than or exceed the period which would otherwise have constituted the balance of the Term and may grant such concessions and free rent as Landlord in its sole judgment considers advisable or necessary

to relet the same and (ii) make such alterations, repairs and decorations in the Premises as Landlord in its sole judgment considers advisable or necessary to relet the same, and no action of Landlord in accordance with the foregoing or failure to relet or to collect rent under reletting shall operate or be construed to release or reduce Tenant's liability as aforesaid.

In lieu of any other damages or indemnity and in lieu of full recovery by Landlord of all sums payable under all the foregoing provisions of this Section 7.2, Landlord may by written notice to Tenant, at any time after this Lease is terminated under any of the provisions contained in Section 7.1 or is otherwise terminated for breach of any obligation of Tenant and before such full recovery, elect to recover, and Tenant shall thereupon pay, as liquidated damages, an amount equal to the aggregate of the Fixed Rent and Additional Rent accrued in the twelve months ended next prior to such termination plus the amount of rent of any kind accrued and unpaid at the time of termination and less the amount of any recovery by Landlord under the foregoing provisions of this Section 7.2 up to the time of payment of such liquidated damages. Nothing contained in this Lease shall, however, limit or prejudice the right of Landlord to

prove for and obtain in proceedings for bankruptcy or insolvency by reason of the termination of this Lease, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above.

7.3 Remedies Cumulative. Any and all rights and remedies which Landlord may have under this Lease, and at law and equity, shall be cumulative and shall not be deemed inconsistent with each other, and any two or more of all such rights and remedies may be exercised at the same time insofar as permitted by law.

7.4 Landlord's Right to Cure Defaults. Landlord may, but shall not be obligated to, cure, at any time, without notice, any default by Tenant under this Lease; and whenever Landlord so elects, all costs and expenses incurred by Landlord, including reasonable attorneys' fees, in curing a default shall be paid by Tenant to Landlord on demand, together with twelve percent interest per annum thereon from the date of payment by Landlord to the date of payment by Tenant.

7.5 Effect of Waivers of Default. Any consent or permission by Landlord to any act or omission which other-

wise would be a breach of any covenant or condition herein, or any waiver by Landlord of the breach of any covenant or condition herein, shall not in any way be held or construed (unless expressly so declared) to operate so as to impair the continuing obligation of any covenant or condition herein, or otherwise, except as to the specific instance, operate to permit similar acts or omissions.

7.6 No Waiver, etc. The failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease shall not be deemed a waiver of such violation nor prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by Landlord of rent with knowledge of the breach of any covenant of this Lease shall not be deemed to have been waiver of such breach by Landlord, or by Tenant, unless such waiver be in writing signed by the party to be charged. No consent or waiver, express or implied, by Landlord to or of any breach of any agreement or duty shall be construed as a waiver or consent to or of any other breach of the same or any other agreement or duty.

7.7 No Accord and Satisfaction. No acceptance

by Landlord of a lesser sum than the Fixed Rent, Additional Rent or any other charge then due shall be deemed to be other than on account of the earliest installment of such rent or charge due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent or other charge be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such installment or pursue any other remedy in this Lease provided.

ARTICLE VIII

Mortgagee's Rights

8.1 Superiority of Lease. Unless Landlord exercises the option set forth in Subsection 8.2 below, this Lease shall be superior to and shall not be subordinated to any mortgage or other voluntary lien or other encumbrance on the Premises. Until it shall enter and take possession of the Premises for the purpose of foreclosure the holder of a mortgage shall have only such rights of Landlord as are necessary to preserve the integrity of this Lease as security. Upon entry and taking possession of the Premises for the purpose of foreclosure such holder shall have all the rights of Landlord. No such holder of a mortgage shall be liable either

as mortgagee or as assignee, to perform, or be liable in damages for failure to perform, any of the obligations of Landlord unless and until such holder shall enter and take possession of the Premises for the purpose of foreclosure. Upon entry for the purpose of foreclosure, such holder shall be liable to perform all of the obligations of Landlord, subject to and with the benefit of the provisions of Section 9.4, provided that a discontinuance of any foreclosure proceeding shall be deemed a conveyance under said provisions to the owner of the equity of the Premises. No Fixed Rent, Additional Rent or any other charge shall be paid more than ten days prior to the due dates thereof and payments made in violation of this provision shall (except to the extent that such payments are actually received by a mortgagee in possession or in the process of foreclosing its mortgage) be a nullity as against such mortgagee and Tenant shall be liable for the amount of such payments to such mortgagee. The covenants and agreements contained in this Lease with respect to the rights, powers and benefits of a mortgagee (particularly, without limitation thereby, the covenants and agreements contained in this Section 8.1) constitute a continuing offer to any person, corporation or other entity, which by accepting a mortgage subject to this lease assumes the obligations herein set forth with

respect to such mortgagee; such mortgagee is hereby constituted a party of this Lease as an obligee hereunder to the same extent as though its name was written hereon as such; and such mortgagee shall be entitled to enforce such provisions in its own name. Tenant agrees on request of Landlord to execute and deliver from time to time any agreement which may be necessary to implement the provisions of this Section 8.1.

8.2 Subordination. Landlord shall have the option to subordinate this Lease to any mortgage or deed of trust of the Premises provided that the holder thereof enters into an agreement with Tenant by the terms of which the holder will agree to recognize the rights of Tenant under this Lease and to accept Tenant as tenant of the Premises under the terms and conditions of this Lease in the event of acquisition of title by such holder through foreclosure proceedings or otherwise and Tenant will agree to recognize the holder of such mortgage as Landlord in such event, which agreement shall be made to expressly bind and enure to the benefit of the successors and assigns of Tenant and of the holder and upon anyone purchasing said Premises at any foreclosure sale. Tenant and Landlord agree to execute and deliver any appropriate instruments necessary to carry out the agreements contained in this Section 8.2. Any such mortgage to which this Lease shall be subordinated

may contain such terms, provisions and conditions as the holder deems usual or customary.

ARTICLE IX

Miscellaneous Provisions

9.1 Notices from One Party to the Other. All notices required or permitted hereunder shall be in writing and shall be deemed duly served if and when mailed by registered or certified mail postage prepaid addressed, if to Tenant, at the Original Address of Tenant or such other address as Tenant shall have last designated by notice in writing to Landlord and, if to Landlord at the Original Address of Landlord or such other address as Landlord shall have last designated by notice in writing to Tenant.

9.2 Quiet Enjoyment. Landlord agrees that upon Tenant's paying the rent and performing and observing the agreements, conditions and other provisions on its part to be performed and observed, Tenant shall and may peaceably and quietly have, hold and enjoy the Premises during the Lease Term without any manner of hindrance or molestation from Landlord or anyone claiming under Landlord, subject, however, to the terms of this Lease.

9.3 Lease not to be Recorded. Tenant agrees

that it will not record this Lease. Both parties shall, however, execute and deliver a notice or short form of this Lease in such form, if any, as may be permitted by applicable statute.

9.4 Limitation of Landlord's Liability. No owner of the Premises shall be liable under this Lease except for breaches of Landlord's obligations occurring while owner of the Premises.

9.5 Acts of God. In any case where either party hereto is required to do any act, delays caused by or resulting from Acts of God, war, civil commotion, fire, flood or other casualty, labor difficulties, shortages of labor, materials or equipment, government regulations, unusually severe weather, or other causes beyond such party's reasonable control shall not be counted in determining the time during which work shall be completed, whether such time be designated by a fixed date, a fixed time or "a reasonable time", and such time shall be deemed to be extended by the period of such delay.

9.6 Landlord's Default. Landlord shall not be deemed to be in default in the performance of any of its obligations hereunder unless it shall fail to perform such obligations and such failure shall continue for a period of thirty days or such additional time as is reasonably required

to correct any such default after written notice has been given by Tenant to Landlord specifying the nature of Landlord's alleged default. Tenant shall have no right to terminate this Lease for any default by Landlord hereunder and no right, for any such default, to offset or counterclaim against any rent due hereunder.

9.7 Brokerage. Tenant warrants and represents that it has dealt with no broker in connection with the consummation of this Lease, other than Ryan, Elliot and Company, Inc., and in the event of any brokerage claims against Landlord predicated upon prior dealings with Tenant other than Ryan, Elliot and Company, Inc., Tenant agrees to defend the same and indemnify and hold Landlord harmless against any such claim.

9.8 Approvals and Consent. Whenever the consent or approval of either party is required hereunder, the same shall not be unreasonably withheld or delayed.

9.9 Applicable Law and Construction. This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises are located and, if any provisions of this Lease shall to any extent be invalid, the remainder of this Lease shall not be affected thereby. There are no oral or written agreements between Landlord and Tenant

affecting this Lease. This Lease may be amended, and the provisions hereof may be waived or modified, only by instruments in writing executed by Landlord and Tenant. The titles of the several Articles and Sections contained herein are for convenience only and shall not be considered in construing this Lease. Unless repugnant to the context, the words "Landlord" and "Tenant" appearing in this Lease shall be construed to mean those named above and their respective heirs, executors, administrators, successors and assigns, and those claiming through or under them respectively. If there be more than one tenant the obligations imposed by this Lease upon Tenant shall be joint and several.

ARTICLE X

Option to Extend

10.1 Option to Extend. Tenant shall have one (1) option to extend the Term hereof for a period of five (5) years, to follow consecutively upon the initial Term upon the same terms and conditions as are provided herein, except that the Annual Fixed Rent Rate during such extended period shall be \$105,600. Said option shall be deemed to have been automatically exercised by Tenant without further documentation unless Tenant shall elect not to so exercise by giving written notice to Landlord at least six months prior to the expiration of the initial Term.

10.2 Election Not to Exercise. If Tenant elects not to exercise the foregoing option to extend, Tenant shall deliver to Landlord at the end of the initial Term Tenant's promissory note in the principal amount of the then unamortized principal balance of the allowance paid by Landlord pursuant to Section 3.2 hereof, such note to bear interest at ten percent per annum, interest and principal payable monthly in installments of \$4675, to mature on the fifth anniversary of the last day of the initial Term, and to be prepayable without penalty at any time prior to said maturity.

ARTICLE XI

Option to Purchase

11.1 Option to Purchase. Tenant is hereby granted an option to purchase the Premises at any time during the Term, as the same may be extended, exercisable by written notice to Landlord. If said option is so exercised, the Premises shall be conveyed to Tenant or to such nominee as he shall designate in said written notice by a good and sufficient quitclaim deed conveying a good and clear record and marketable title to the Premises.

The record and marketable title conveyed as aforesaid shall be free from all encumbrances except:

- (a) Such taxes for the current year as are not due and payable on the date of the delivery of the deed;
- (b) Provisions of local zoning laws;
- (c) Matters of record as contained in Certificate of Title No. 75728, insofar as the same may be in force and applicable.

The purchase price for said premises shall be \$550,000 plus the then unamortized principal balance of the allowance paid by Landlord pursuant to Section 3.2 hereof, which purchase price shall be payable as follows:

(a) The sum of \$50,000 shall be paid on account of said purchase price by certified check or checks delivered to Landlord at the time of the exercise of said option.

(b) The balance shall be paid by certified check or checks upon delivery of the deed. Rent amounts paid pursuant to this Lease shall not be credited against said purchase price.

The deed shall be delivered and the purchase price paid at 10 o'clock A.M. at the Suffolk Registry of Deeds on such date as Tenant shall designate in his written notice of the exercise of this option but in no event earlier than 15 days nor later than 90 days after the date on which such notice is given.

To enable Landlord to make conveyances as herein provided it may, if it so desires, at the time of the delivery of the deed, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests; all instruments so procured to be recorded simultaneously with the delivery of said deed.

Full possession of said premises free of all occupants other than Tenant is to be delivered at the time of the delivery of the deed, said premises to be then in the same condition as they now are, reasonable use and wear of the buildings thereon and damage by fire or unavoidable casualty excepted.

for any partial restoration.

If Landlord shall be unable to give title as above stipulated; it shall use reasonable efforts to remove any defect in title and the time for the delivery of the deed shall be extended for 90 days. If at the expiration of any such extension Landlord shall have used such efforts and shall have failed to remove any defects, all payments made hereunder by Tenant shall be refunded to him and all obligations of the parties to each other under this Article X shall cease; provided, however, that Landlord shall convey such title as it can deliver to the premises if Tenant elects to accept the same and to pay therefor the purchase price without deduction.

WITNESS the execution hereof under seal on the day and year first above written.

Landlord:

JOHN HANCOCK MUTUAL LIFE
INSURANCE COMPANY

By: Robert A. Johnston J.

Tenant:

BOSTON TEACHERS UNION

By: Henry J. Palmer
Daniel B. McDuffie

EXHIBIT A TO LEASE
John Hancock Mutual Life Insurance Company (Landlord)
Boston Teachers Union (Tenant)

Premises: the land, together with the one story brick building known as Building B, being shown as lot number 7 on a plan entitled "Subdivision Plan of Land 'Being a Subdivision of Lot 2 on L.C. No. 28699C' Boston (Dorchester) Mass." dated April 2, 1976 by Harry Feldman, Inc., Civil Engineers & Land Surveyors, to be filed for registration with the Suffolk Registry District of the Land Court (the "Plan") containing 117,720 square feet, a copy of which Plan is attached as Exhibit A-1.

Together with the right, in common with others entitled thereto, to use Lots 6, 8 and 9 as shown on said Plan, **except for** the portion covered by buildings, as shown on a plan entitled "Subdivision Plan in Boston (Dorchester) Mass." dated April 2, 1976 by Harry R. Feldman, Inc., to be recorded with Suffolk Registry of Deeds, for the occasional parking of automobiles in those areas which may from time to time be devoted to parking by the respective owners thereof.

Together with the right, in common with others entitled thereto, to use the 25-foot wide Right of Way as shown on said Plan for vehicular and pedestrian access to and from Mt. Vernon Street from the southwesterly border of the Premises.

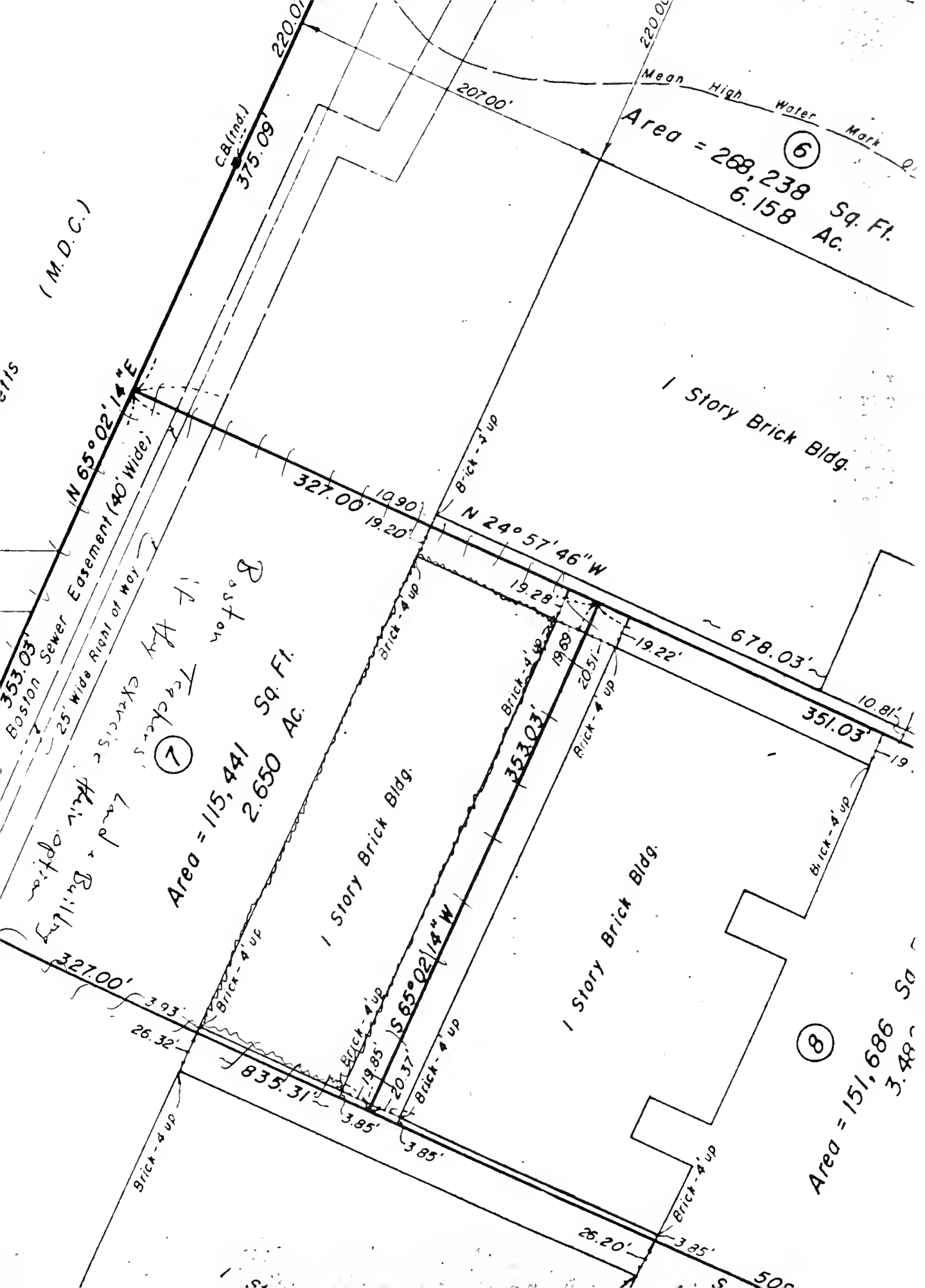
Together with the right, in common with others entitled thereto, to use the Access Road as shown on said Plan for vehicular

and pedestrian access to and from William J. Day Blvd., subject to the provisions of a lease dated December 30, 1964 recorded with Suffolk Deeds in Book 7197, Page 411, as amended by instrument dated March 24, 1966 recorded with said Deeds in Book 8030, Page 140.

Reserving to the Landlord, its successors and assigns the right to use said Lot 7 for the occasional parking of automobiles in those areas which may from time to time be devoted to parking by the Tenant.

Also reserving to Landlord, its successors and assigns, the right to use in common with Tenant the 25-foot wide Right of Way as shown on said Plan for vehicular and pedestrian passageway across the premises, and the right to use for vehicular and pedestrian passage that portion of the Premises from the said Right of Way to the Access Road as shown on said Plan.

Also subject to and with the benefit of matters of record as contained in Certificate of Title No. 75728, insofar as the same may be in force and applicable.



APPENDIX 4
Joint Venture Agreement
Between CMJ, Inc. and OBC,
Inc.- To Be Submitted
By 8/15/82

CORCORAN, MULLINS, JENNISON, INC.

July 29, 1982

Mr. Robert J. Ryan, Director
Boston Redevelopment Authority
One City Hall Square
Boston, MA 02201

Dear Mr. Ryan:

Corcoran, Mullins, Jennison, Inc., O'Connell Brother Development, Inc. and John E. Drew are in the process of finalizing the Bayside Associates joint venture agreement. The document should be signed by August 9th and will immediately be forwarded to the BRA and to HUD in Washington.

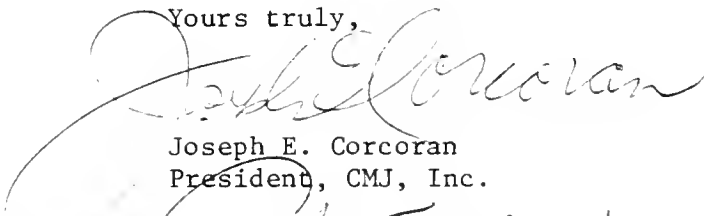
Percentages of ownership are as follows:

OBD	45%
CMJ	45%
John Drew	10%


OBD and CMJ hereby authorize John E. Drew, President of Bayside Associates to sign all documents related to the Bayside Expo project.

We look forward to working with you throughout this project.

Yours truly,



Joseph E. Corcoran
President, CMJ, Inc.



Peter F. O'Connell
President, OBD, Inc.

JEC:PFO/sd

APPENDIX 5
Bayside Exposition Center
-Detailed Income and Expense
Statements (January 1983-
July 1987)

APPENDIX 5

PHASE 1 BAYSIDE EXPOSITION CENTER
 DETAILED INCOME AND EXPENSE STATEMENTS OF EXHIBITION SPACE
 (January 1983 - June 1987)

	<u>Jan.-June 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>
I. Exhibition Space Income					
Rent	\$ 370,500	\$1,111,000	\$1,322,100	\$1,427,868	\$1,542,097
Food-35% of Gross	199,300	339,766	368,242	397,701	429,517
Parking-100% Gross	224,800	379,276	411,703	444,639	480,210
Cleaning-100% Gross	53,300	88,196	97,015	104,776	113,158
Security-15% Gross	29,700	46,464	51,110	55,199	59,615
Electric-15% Gross	18,900	30,468	33,514	36,195	39,091
Decorating-15% Gross	43,200	80,584	88,642	95,733	103,392
Drayage-15% Gross	60,000	97,200	106,920	115,474	124,711
Misc.-15% Gross	11,200	32,944	36,238	39,137	42,268
<u>Total</u>	<u>\$1,010,900</u>	<u>\$2,195,898</u>	<u>\$2,515,484</u>	<u>\$2,716,723</u>	<u>\$2,934,061</u>

	<u>Jan.-June 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>
II. Exhibition Space Expenses					
Printing, Marketing, Advert.	\$ 34,300	\$ 7,560	\$ 8,165	\$ 8,818	\$ 9,524
HVAC	90,000	194,400	209,952	226,748	244,888
Electric	105,000	226,800	244,944	264,540	285,703
Maintenance/Cleaning	45,100	75,816	81,881	88,431	95,506
Repair/Maintenance	5,000	10,800	11,664	12,597	13,605
Security	61,060	88,689	95,784	103,447	111,722
Equipment	11,750	25,380	27,410	29,603	31,971
Administration	108,500	170,640	184,291	199,034	214,957
Personnel	74,000	108,000	116,690	126,025	136,107
Mgmt. Fee	86,400	139,253	150,393	162,424	175,418
<u>Total</u>	<u>\$ 621,110</u>	<u>\$1,047,338</u>	<u>\$1,131,124</u>	<u>\$1,221,614</u>	<u>\$1,319,343</u>

APPENDIX 6
Phase I Bayside Exposition
Center - Notes on
Development and Operating
Pro Formas

APPENDIX 6

PHASE I - BAYSIDE EXPOSITION CENTER

NOTES ON DEVELOPMENT AND OPERATING PROFORMAS

I. Bayside Exposition Center Development Schedule

- A. Land Purchase: October 10, 1982
- B. Construction Start:
 - 1. Showrooms - October 10, 1982
 - 2. Exhibition Space - October 10, 1982
- C. Construction Financing - October 10, 1982
- D. Completion and Occupancy Dates:
 - 1. Showrooms - March 1, 1983
 - 2. Exhibition Space - January 1, 1983
- E. Permanent Financing - March 1, 1983

II. Square Footages

- A. Teachers Union Building
 - 1. Approximately 34,000 gross square feet (GSF)
 - 2. Approximately 30,000 net square feet (NSF)
- B. Showrooms
 - 1. Approximately 72,000 GSF
 - 2. Approximately 65,000 NSF
- C. Exhibition Space
 - 1. Approximately 220,000 GSF
 - 2. Approximately 200,000 NSF

III. Proforma Timing: Fiscal Years (FY) run from July 1 to June 31, i.e. FY 1984 runs from July 1, 1983 to June 31, 1984.

IV. Income

- A. Teachers Union Building
 - 1. January - June 1983 income is from a nine month period of October 1, 1982 to June 31, 1983.

With net annual lease payments of \$49,500, January - June 1983 income equals \$37,125. (See lease summary and lease document in Appendix).

2. FY 1984 and FY 1985 income is stated in lease.
3. With present lease expiring on 11/1/86, FY 1986 includes four months of monthly net lease payments of \$4,125 and eight months of monthly lease payments of \$30,000 based on a new long-term net lease at \$12.00/NSF.
4. FY 1987, FY 1988, and FY 1989 income is based on a new long-term net lease at \$12.00/NSF.

B. Showrooms

1. January - June 1983 income is based on gross rents of \$13.50/NSF for four months.
2. FY 1984 income is based on gross rents of \$14.00/NSF for one year.
3. FY 1985 income is based on gross rents of \$14.50/NSF for one year.
4. Increases in income for FY 1986 through FY 1989 are based on annual increases of 8% from FY 1985 income.

C. Exhibition Space

1. January - June 1983 income is for a six month period. A detailed income proforma is attached.
2. Sources of income for FY 1984 through FY 1987 are listed on attached detailed income proforma.
3. Increases in income for FY 1988 and FY 1989 are based on annual increases of 8% from FY 1987 income.

V. Expenses

A. Teachers Union lease is a net lease.

B. Showrooms: Operating Expenses

1. <u>January-June 1983</u>	<u>FY 1984</u>	<u>FY 1985</u>
\$3.50/NSF for 4 mos.	\$3.75/NSF	\$4.00/NSF

2. Increases in operating expenses for FY 1986 through FY 1989 are based on annual increases of 8% from FY 1985 operating expenses.

C. Exhibition Space: Operating Expenses

1. January - June 1983 operating expenses are for a six-month period. A detailed operating expenses proforma is attached.
2. Operating expenses for FY 1984 through FY 1987 are listed on the detailed income proforma in this Appendix.
3. Increases in operating expenses for FY 1988 and FY 1989 are based on annual increases of 8% from FY 1987 operating expenses.

D. Real Estate Taxes for Showrooms and Exhibition Space

1. With current taxes of \$362,000 for Bayside Mall and with the Teachers Union paying \$36,151 under their net lease, current taxes attributable to the showrooms and exhibition space equal \$325,849. For the five month construction period, real estate taxes equal \$135,770. For January - June 1983, real estate taxes for a four month period, based on current taxes of \$325,849, equal \$108,616.
2. Real estate taxes for FY 1984 are based on an assessment on January 1, 1983 of a 75% completed project, with total development costs at approximately \$15,500,000, and taxes at 3% of value.
3. Real estate taxes for FY 1985 are based on a completed project for an assessment on January 1, 1984 with a total development cost of approximately \$15,500,000 and taxed at 3% of value.
4. Real estate taxes for FY 1986 through FY 1989 are based on annual increases of 8% from FY 1985 real estate taxes.

VI. Construction Financing

- A. A conventional construction loan of approximately \$8,800,000 at 18% interest will be outstanding for 6 months with an average drawdown of 50%.

- B. Land Debt Service of five months based on an annual debt service of \$574,412 must be paid during construction period. (See Exhibit IIB.7-1 for letters from John Hancock Mutual Insurance Company.)

VII. Debt Service

- A. Land Debt Service (see Exhibit IIB.7-1 letters from John Hancock Mutual Insurance Company.)
 - 1. For January - June 1983, Land Debt Service is for four months based on annual debt service of \$574,412.
 - 2. For FY 1984 through FY 1989, Land Debt Service is a constant annual payment.
- B. Industrial Revenue Bonds (IRB)
 - 1. From State Street Bank and Trust Company in Boston, IRBs of \$7,300,000 will be issued or placed at an interest rate of 12.75% over 15 years for a debt service constant of .1499.
 - 2. For January - June 1983, IRB debt service is for a four month period.
 - 3. For FY 1984 through FY 1989, IRB debt service is a constant annual payment.
- C. Certified Net Income (See Exhibit IIB.7-1 John Hancock letters).
 - 1. For the calculation of contingent interest of 25% of net income to John Hancock Mutual Insurance Company, certified net income is calculated after subtracting Land Debt Service and IRB Debt Service from Net Income Available Before Debt and Equity.
 - 2. If Certified Net Income is less than \$0, then no contingent interest is paid.

APPENDIX 7

Development Agreement Between BRA and
Bayside Associates on Phase II
Development of Uphams Corp. Parcels

(To Be Submitted By September 30, 1982)

APPENDIX 8
CDBG Neighborhood Capital
Improvements- Program for
Continued Revitalization:
1979-1982

APPENDIX 8
CDBG Neighborhood Capital
Improvements- Program for
Continued Revitalization:
1979-1982

APPENDIX 8

CDBG NEIGHBORHOOD CAPITAL IMPROVEMENTS PROGRAM -- 1979-1982

INTRODUCTION

The following document describes the City's intentions for capital improvements in neighborhoods with CDBG funds. More specifically in terms of the immediate neighborhood of Columbia Point, the following City funds have been or will be spent:

- 1/ Approximately \$100,000 for master engineering by Universal Engineering Corporation was spent several years ago. The work included preparation of base maps, collection of traffic data, a preliminary analysis of the traffic circulation system, and the initial examination of the waterfront area.
- 2/ \$100,000 in Yr.7 CDBG funds has been allocated to continuing engineering work at Columbia Point. This will be spent primarily on further design of the traffic and pedestrian circulation systems and on continuing work on the proposed waterfront park.
- 3/ \$400,000 is expected to be approved in the Yr. 8 CDBG budget. This will be used for continuing engineering, in particular preliminary design of public improvements related to the Phase II housing parcel and also for a financial consultant who will assist the BRA to review the full development proposals from the finalist developers and to negotiate the final terms with them as well.

BOSTON **A City of Neighborhoods**

Program for Continued Revitalization: 1979 - 1982

Community Development Block Grant
Neighborhood Capital Improvements

City of Boston · Kevin H. White, Mayor
Office of Program Development

COMMUNITY PROFILE

The City of Boston is fundamentally healthier and following a more positive course than at any time since post-World War II suburbanization began to draw away much of the City's middle-class population and its job base.

A survey of resident attitudes and concerns in 1978 documented an upturn in residents' expectations for the future of Boston, while the financial community has also expressed its confidence in the management and future of the City by raising its rating for Boston's municipal bonds and thus reducing the City's costs for borrowing.

The City's efforts to strengthen its economic base and provide jobs for residents are showing results at the Boston Marine Industrial Park in South Boston and the Crosstown Industrial Park in Roxbury, in the dramatic expansion of downtown office space and in improvements in retail centers such as Quincy Market and Washington Street.

Most neighborhoods are on the rebound, too. In sharp contrast with the 1950's and 1960's, the middle-class is finding Boston's neighborhoods attractive places to remain in, or return to, while upper-income housing is being created closer to downtown. One dramatic indicator of growing neighborhood stability is the strong interest shown in the City's Housing Improvement Program (HIP). By encouraging conspicuous home maintenance at a critical time, HIP helped restore confidence to those neighborhoods concerned about school busing and "white flight." A continuing high demand for that program indicates that more and more residents want to make an economic investment in their homes and neighborhoods.

While Boston is enjoying an economic upswing and many of its neighborhoods are more optimistic about the future, the City remains home to a disproportionate share of the metropolitan area's poor, under-educated, non-English speaking and elderly residents. Boston is thus obliged to provide more health and social services, and more expensive services, than its suburban neighbors. The City must raise revenue for these services from a property tax base which includes an extremely small portion of the land and population of the metropolitan area. At the same time Boston is home to large numbers of tax-exempt institutions which provide services to the metropolitan area and the region, impose service costs on the City and yet provide no revenue.

In 1970, Boston had a high percentage of its residents in public housing. As the massive old-style public housing projects have become increasingly hard to manage effectively within the available income stream, other subsidized housing forms, including Section 8-assisted, mixed-income and elderly oriented developments have been developed which are providing better housing, but the problems of the older developments remain to be solved.

As cities, including Boston, have shifted from manufacturing to service sector economies the types of skills needed have changed and many residents have been at a disadvantage in competing for available jobs. This has been exacerbated by consistently high rates of unemployment in the Northeast region.

Despite a reduced crime rate citywide, neighborhoods with high concentrations of poor residents and transients continue to have high crime rates. Serious physical deterioration is also concentrated in these same neighborhoods.

Finally, neighborhood business districts, many of them developed over fifty years ago, have been hard hit by competition from newer, larger, automobile-oriented centers, a relative decline in the buying power of surrounding neighborhoods and increased security problems. Obsolescence of some of these districts has had a blighting impact on nearby neighborhoods.

In sum, the overall prognosis for the City is good, yet there remain grave problems for some neighborhoods, individuals and groups who have been unable to participate in the improvement of the City, and serious limitations on the resources available to the City to deal with these problems.

CITYWIDE ECONOMIC BASE

The health of the City's neighborhoods is tied to the overall economic health of the City. Any lasting improvement in the city's neighborhoods is linked closely to employment opportunities for residents, the vitality of neighborhood commercial areas and the availability of City resources. This review of the City's economic base looks in particular at these factors.

Service sector -- The service sector has accounted for 90% of the job growth in Boston since 1960. This trend is similar to that in most older cities, where there has been a significant shift from manufacturing to office uses as the most important elements of their economy. In 1977, the service sector accounted for 64% of Boston's jobs, an increase from 57% in 1970.

Among the City's major employers, those with over 500 employees, the vast majority are in finance, real estate, insurance and medicine. Only five manufacturing firms, including the City's two newspapers, employ more than 500 people.

The revitalization of this sector can be most dramatically seen in the doubling of office space within the City. Many new buildings have been completed and older buildings are being rehabilitated. Both are maintaining high occupancy rates in spite of the rapid rate of expansion of space.

Retailing -- Retailing has begun to rebound after suffering from the competition of suburban shopping developments. The revitalization of Boston's primary shopping street with the recent \$35 million upgrading of the Jordan Marsh department store, the development of "The Corner" shopping mall, and the upcoming Lafayette Place development generated by the Quincy Market retail complex, indicate the City's ability to maintain a strong role as a center of regional retail employment.

The rebirth of the downtown retail center has not as yet been matched by a comparable revitalization of the City's neighborhood business districts. Many long-standing neighborhood businesses have closed in recent years--victims of increased competition from suburban malls, greater shopping mobility, the reduction in consumer purchasing power within some neighborhoods and the growing costs of conducting business in an urban setting. Consumer surveys show a marked tendency to go downtown and to suburban malls for clothing and major household expenditures. Convenience shopping--food, drugs, and services--offer a more logical retail base for neighborhood business districts; yet the major chains that have traditionally operated in these settings have shown an inability to respond to market changes. Closings by these companies have left a large gap that could be profitably filled by new businesses, provided they can adapt to market demands and available commercial properties, can competitively merchandise and can minimize overhead costs. The challenge to the City is to determine what financial incentives and support services are needed to encourage both individual entrepreneurs and large chains to consider the opportunities in Boston's neighborhoods.

Manufacturing -- In the post-World War II relocation of manufacturing firms to lower-cost sites in the suburbs and the southern states, the city of Boston lost half of its industrial base. A total of 53,000 manufacturing jobs left the City. The City has been working to stabilize and reverse this trend and between 1976 and 1977 a gain of 4,200 manufacturing jobs was finally recorded. The City's Economic Development and Industrial Corporation is working to continue this growth by developing industrial parks in Dorchester, South Boston and Roxbury and by supporting existing business. In particular, Roxbury's new forty-acre Crosstown Industrial Park has attracted the Digital Equipment Company as its first tenant.

Jobs for Residents -- The New England region has experienced unemployment levels 15-20% above the national average in recent years. Boston, with its higher concentration of economically disadvantaged residents, has had an unemployment rate twice the national average. The employment picture of Boston residents has recently improved, however, with unemployment dropping by 50%-- from a high of 12.7% in 1970 to 6.3% December 1978.

The shift in the primary role of the City from a manufacturing to a service center has disadvantaged many residents--both those trained in manufacturing skills and others without the educational and language skills to compete effectively for jobs in the growing service sectors. While Boston has clearly gained strength as an economic center, 62% of its jobs were being held by non-residents in 1977.

Municipal Revenue -- Boston is reasserting its pre-eminence as the regional center of New England. Its airport is the world's eighth busiest. Quincy Market attracts twelve million visitors per year. The City is a national center for medicine, education and religion. But because Boston is the only large U.S. city with no major revenue source other than the property tax, it has had difficulty benefiting financially from its success. Boston raises 70% of all its revenue from the property tax (\$512 per capita in 1975 versus \$401 per capita for New York). Sales and income taxes paid to the Commonwealth of Massachusetts by Quincy Market's successful new businesses amount to ten times the property taxes paid to the City. The growing service sector economy results in much less taxable property per employee than the old manufacturing-based economy. Furthermore, while State, Federal, medical and educational facilities contribute to the employment base, and to Commonwealth revenue sources, they pay no property tax to Boston. Indeed, over fifty-five per cent of Boston's land area is tax exempt.

Boston's revenue-raising ability is further limited by its extremely small share of the SMSA's land area and population and its disproportionately high share of the area's low-income population. Suburban towns, which have kept down their costs by excluding low-income residents, vie effectively for the property tax dollars and jobs of Boston's businesses.

Boston, therefore, remains extremely dependent on the decisions of the State and federal government for the resources to meet the needs of its residents.

POPULATION CHARACTERISTICS

As with many older northern cities, Boston experienced a significant population loss between 1950 and 1970. The City lost twenty-nine per cent of its white population with the non-white population increasing its share of the total from five to eighteen per cent. While post-1970 U.S. census data is not highly reliable, especially in reflecting more recent changes, it appears that both population decline and racial change have slowed down or stabilized. The most recent population count estimates a total population of 637,000 with a breakdown of 73% white and 27% non-white residents.

The national trend toward greater numbers of smaller households, consisting of primarily of young, childless couples, individuals and elderly residents, suggests that the actual number of households may be even more stable than the total population and perhaps rising. Evidence of this locally is perhaps best reflected in recent new construction patterns. Since 1970, an estimated 18,885 units have been built or completely rehabilitated while 10,374 units have been demolished. In particular, over 3,000 units of housing for elderly have been built since 1975.

Several elements of Boston's population are worth noting:

Hispanic population -- While the minority population in general appears to have been stabilizing, there have been increases in the Hispanic population. Their concentration in a limited number of neighborhoods has generated problems typically associated with new immigrant groups -- a language barrier, higher unemployment, fewer job skills and greater demands on social services.

Elderly population -- The City has a disproportionate share of the SMSA's elderly population. National demographic trends suggest that this share will continue to increase. Having more people in the "elderly" category than ever before has serious implications for future elderly service demands. Furthermore, as with other people on fixed incomes, Boston's elderly have been burdened with escalating housing costs and, given anticipated fuel cost increases, it is reasonable to assume that elderly housing costs will become an even more serious issue in the near future.

Transient population -- A critical component of Boston's total population is a large proportion of transients, primarily students attending the metropolitan area's many academic institutions. Concentrated in a few selected neighborhoods, they have little interest themselves in the maintenance of these neighborhoods, and more importantly, create a tight, high-turnover rental market which has resulted in poor maintenance even at high rent levels, and often higher crime rates.

Low-income population -- The final and perhaps most important observation to make about Boston's population is its income mix. As has been noted already, the shift toward a service sector economy has generated a massive increase in white-collar employment. These new jobs are held primarily by suburban residents, but they have also attracted to Boston a large and growing number of persons who have, in turn, opted to settle in the City itself. This influx of middle-income people both buying and renting in Boston's neighborhoods has begun to redress the serious income imbalance among Boston's residents.

Nevertheless, the City is still home to a disproportionate share of the metropolitan area's lower-income population. It is common for lower-income groups to congregate primarily in central cities. However in Boston where the City per se constitutes such a small porportion of the SMSA, over seventy-five per cent of all households have incomes below the SMSA median; with 20% of the SMSA population, Boston houses 40% of the families below the poverty level. By housing an inordinate share of the metropolitan poor, under-educated, non-English speaking, elderly and minority residents, Boston is obliged to provide more services, and more expensive services, than its suburban neighbors. The City must raise revenue for these services from a property tax base which constitutes a disproportionately small portion of the land area and population of the metropolitan area.

PHYSICAL CONDITIONS

Housing Stock -- The profile of Boston's housing stock that emerges from the 1970 Census is primarily one dominated by older, two- and three-unit structures, with 232,228 housing units in 81,293 separate structures. Seventy-seven per cent of the City's housing units were more than thirty years old in 1970, and a good portion of these were built before the turn of the century. A field survey in 1973, indicated that 70% of Boston's housing stock was in good condition, requiring only modest fix-up. One-fourth of the stock, though, needed considerable fix-up. An additional 4% required gut rehabilitation and 1% demolition.

Abandonment -- Boston continues to experience a substantial loss of housing stock through fires and abandonment and, as a result, must demolish approximately 350 structures each year. This problem has been reduced in some neighborhoods, but remains serious in others. Wood-frame, three-family homes--often owner-occupied--are particularly susceptible in a number of low-income neighborhoods, and often require demolition. Larger, investor-owned brick apartment buildings also remain a problem in some areas, although they often remain as shells which can be rehabilitated.

Re-investment -- New construction has been primarily the result of Section 8 assistance and financing through the Massachusetts Housing Finance Authority, with 1,041 units started each year, 220 in long-abandoned residential buildings, and the balance in new or converted buildings. Only in a few high-income areas, primarily near the downtown area, are the costs of new construction supportable by the income of potential residents. New construction and conversion of non-residential buildings resulted in the start of 153 new units for sale as condominiums and 130 units for rental last year. Many existing rental units are being converted to condominiums, resulting in substantial investment in improved housing conditions, but no addition to the total housing stock.

In a mature city like Boston, the often unnoticed and unrecorded improvements which are made in annual maintenance of the existing housing stock are generally greater in total dollars invested and more significant than individual new construction projects. The appearance of most neighborhoods has reflected these increased investments over the past few years. The continuing strong demand for the Housing Improvement Program, which supports home improvement by low- and moderate-income homeowners, also indicates the strength of residents' desire to invest in many neighborhoods.

Public facilities -- Over the past fifteen years the City of Boston has made an enormous investment in public facilities. Both renovation and new construction have reduced considerably the deterioration and neglect those facilities suffered in the 1940's and 1950's. Initially concentrated downtown, the investment in all types of public facilities has for the past eight years been focused almost exclusively in the City's neighborhoods.

Schools -- The school replacement program perhaps best exemplifies the City's recent investments. Over twenty new schools have been built, many others modernized, and with the completion next year of the "Occupational Resource Center," a vast vocational training facility with city-wide enrollment, the City will have substantially completed its long-range school construction program. Many of the new schools have dual roles: offering regular school sessions during the day, serving as community centers at night.

Other public buildings -- Health centers, libraries, fire houses and police stations have also undergone extensive improvements through a major program of new construction or modernization.

Parks -- Boston contains some of the country's most famous and successful urban parks. However, it has been difficult for the City to provide needed periodic capital investments to maintain these parks in satisfactory conditions. The financial demands of the school construction program now over, it is reasonable to expect some increase in parks appropriations. Not only will this facilitate improvement of existing areas but it will also enable the City to acquire selectively small natural areas in those neighborhoods lacking recreational space.

Basic infrastructure -- Boston still has largely antiquated water and sewer systems, both of which fail frequently. Assisted by large infusions of federal money, the City has upgraded systems in urban renewal areas. These improvements, however, are over-shadowed by the enormity of the volume of work still required in most parts of the City. With the recent creation of the Boston Water and Sewer Commission (a financially autonomous agency with separate bonding authority), the City is expanding its capacity to make such improvements. The quality of the remainder of the city's basic infrastructure--roads, sidewalks and lighting--varies by neighborhoods. While considerable progress has already been made, the extensive improvements still to be done entail more capital investment and construction activity than the City alone can finance or easily manage. Programs like Local Public Works have accelerated the progress, but continued assistance from State and Federal sources is crucial to the City's ability to maintain a satisfactory infrastructure rehabilitation program.

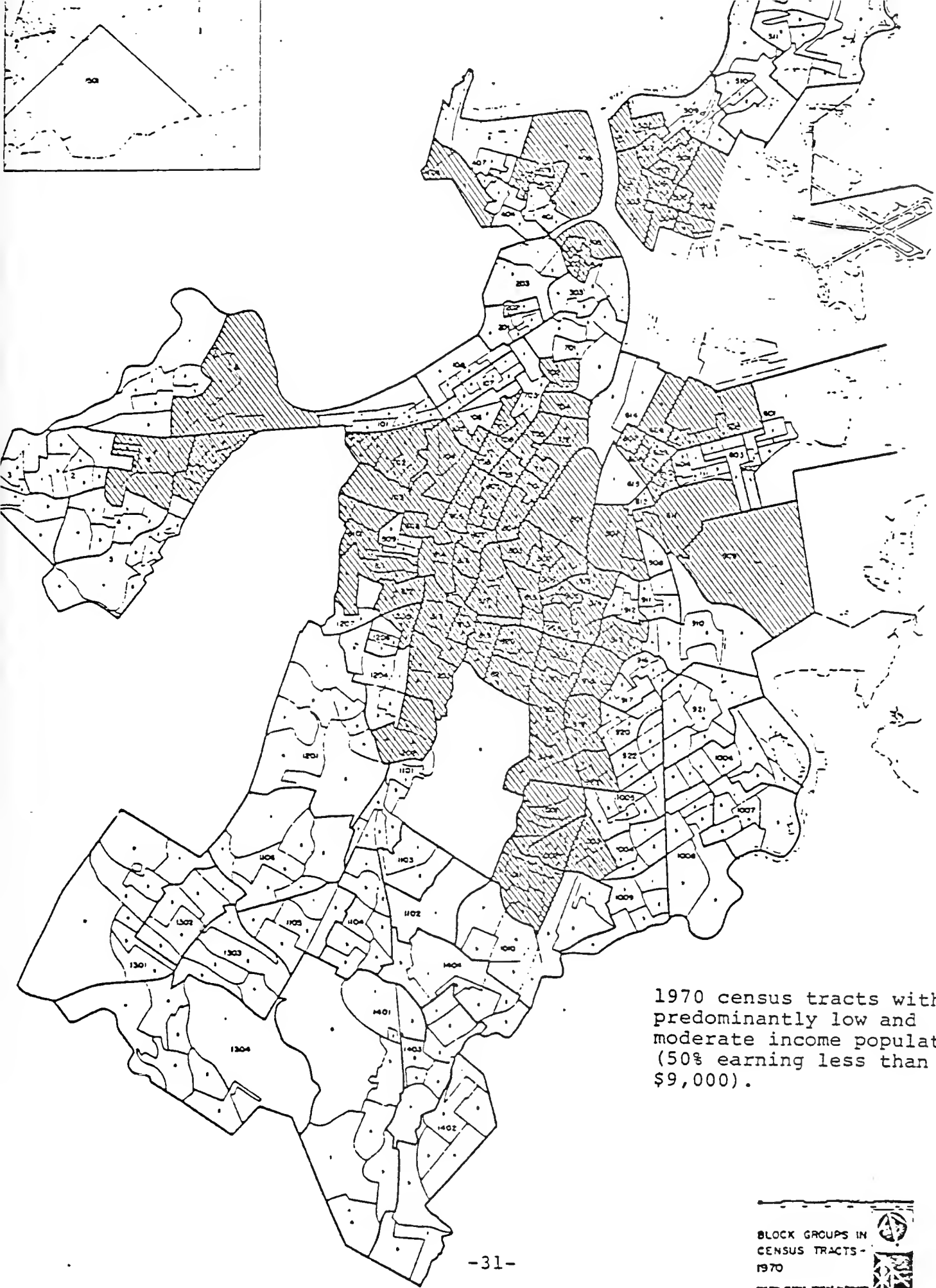
NEIGHBORHOOD CONFIDENCE

The health of the City and its neighborhoods is not dependent simply upon the economic climate and the actions of government. Indeed, a community development program can be no more successful than the residents of the neighborhoods make it. Public sector actions and expenditures can only hope to address successfully the serious problems which exist within the City if the majority of residents have confidence in the future of their community and are willing to invest their own time and money in maintaining their homes, supporting neighborhood organizations and generally strengthening their community as a place to live.

Boston, more than many cities, is characterized by a strong sense of small neighborhoods. An attitudinal survey conducted in 1978 concluded that:

"An important key to the increased levels of optimism in the minds of today's Boston residents is their commitment to the future of their neighborhoods. Bostonians rate conditions in their own neighborhoods today more favorably than conditions in the City as a whole, and look to even greater improvement in neighborhood conditions during the next three years. As was observed in 1977, they continue to express greater pride in their own neighborhoods than the entity they call the City --and faced with the possibility of upward social mobility through a change of residence in the near future, a relatively high proportion of Boston residents would prefer to remain in their present neighborhood, rather than move to another part of the City or outside of the City proper."

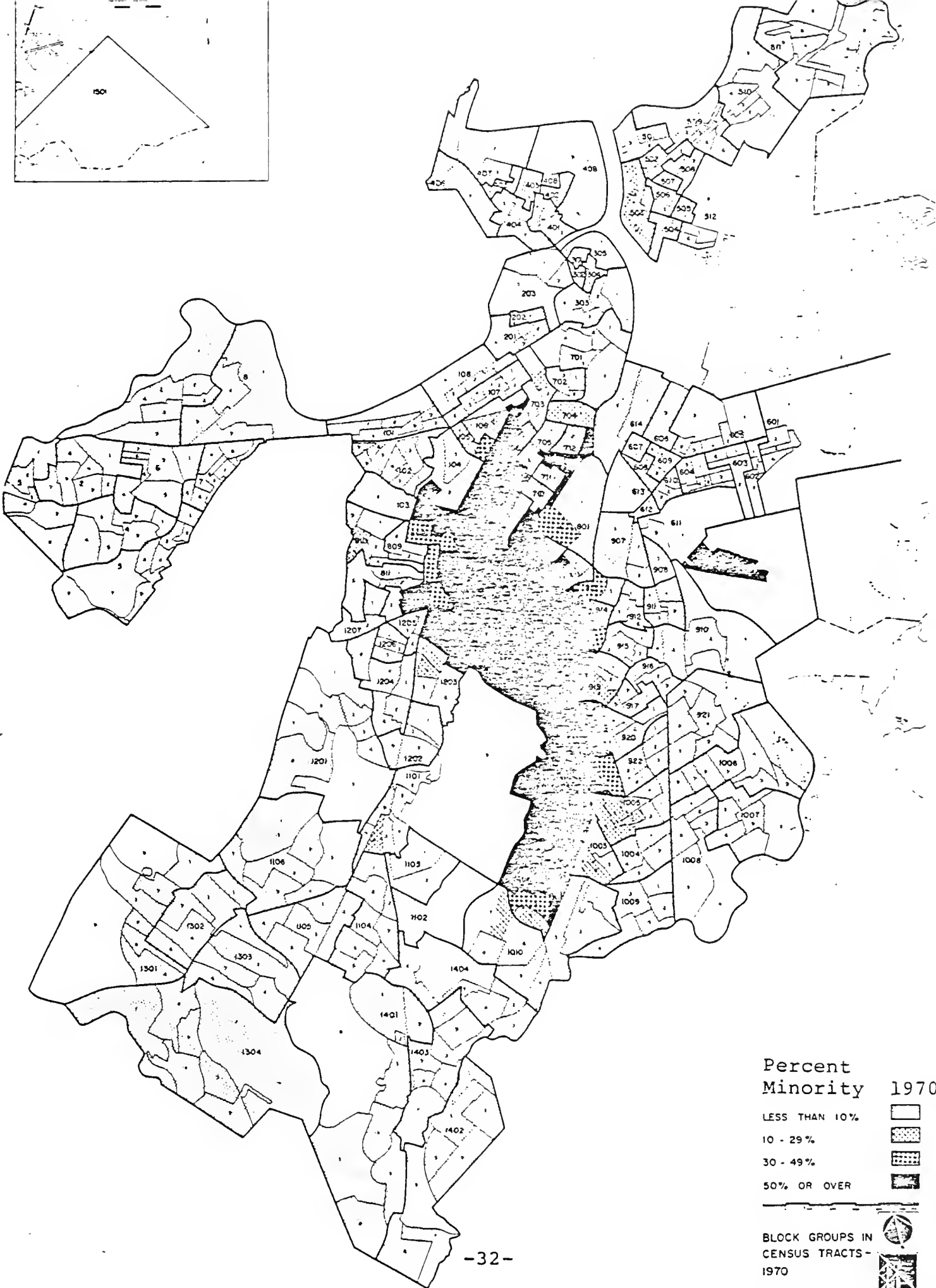
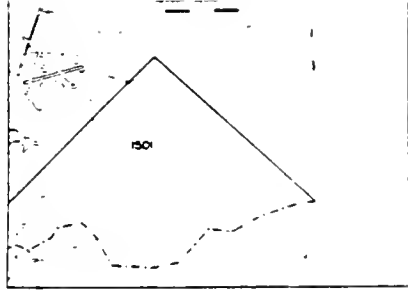
This growing confidence in the neighborhoods offers the opportunity to make more progress toward solving serious problems than was possible when post-war suburbanization and racial polarization were causing uncertainty about the future of the City and causing the private sector to withhold investment in City neighborhoods.



1970 census tracts with predominantly low and moderate income population (50% earning less than \$9,000).

BLOCK GROUPS IN
CENSUS TRACTS -
1970

05/11-11



Percent Minority 1970

LESS THAN 10%	
10 - 29%	
30 - 49%	
50% OR OVER	

BLOCK GROUPS IN CENSUS TRACTS - 1970

COMMUNITYWIDE HOUSING NEEDS

According to 1977 and 1978 statistics, 73% of Boston's homeowners are within the low and moderate income range. The Housing Improvement Program (HIP) has since its inception addressed the repair and maintenance needs of many of these homeowners, including the elderly, minorities and women, as evidenced by the rehabilitation of over 25% of the eligible owner-occupied structures in the City. Notwithstanding this success, HIP has not been able to reach a significant number of those lowest income homeowners who cannot afford conventional financing.

Over 60% of the city's renters in 1974 were of low or moderate income. Indirectly, HIP has provided improved living conditions for those renter households in 2 to 6 family owner-occupied structures. Other CDBG-funded programs directed at owner-occupied housing also have had important spin-off benefits for renters.

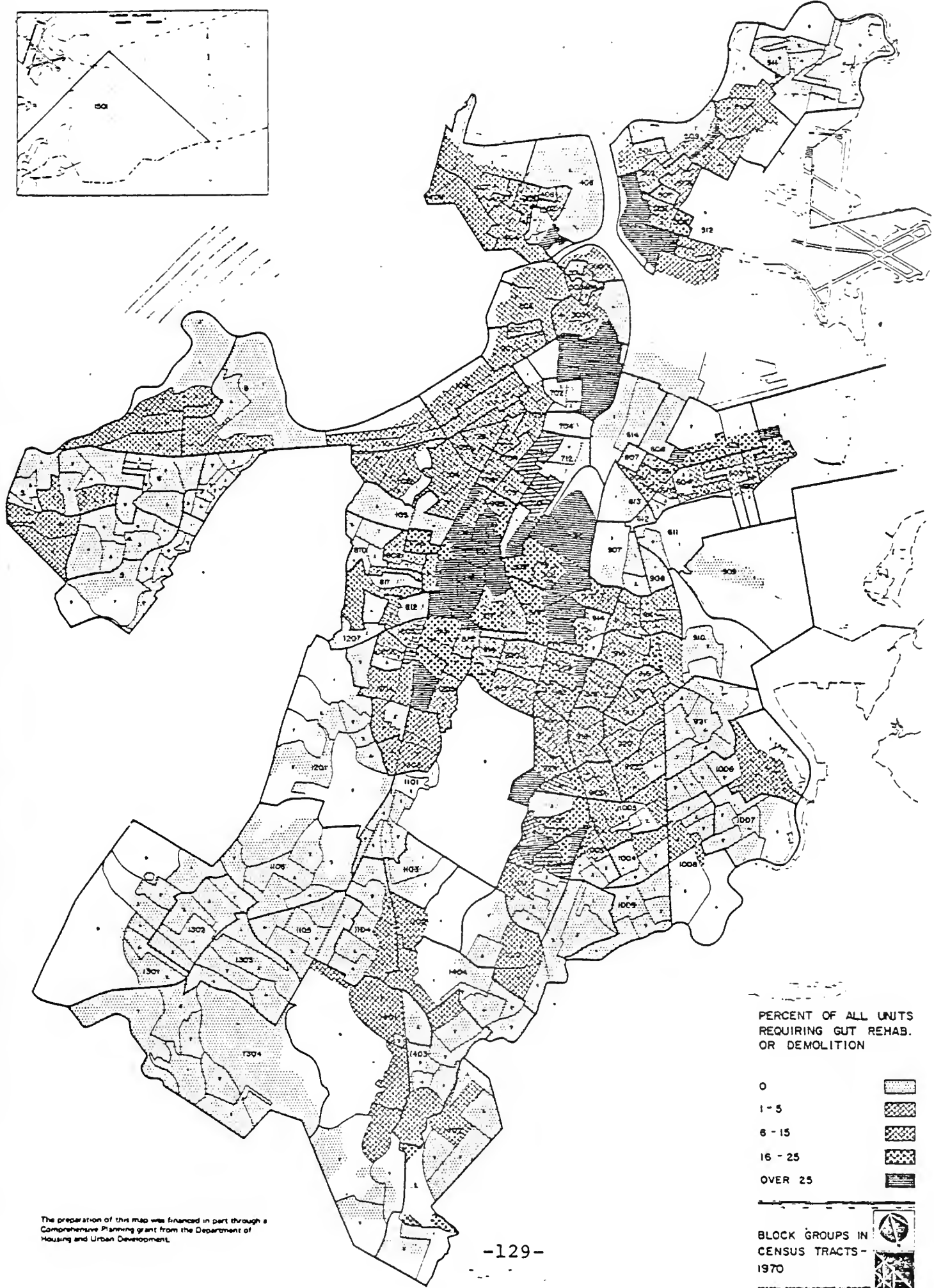
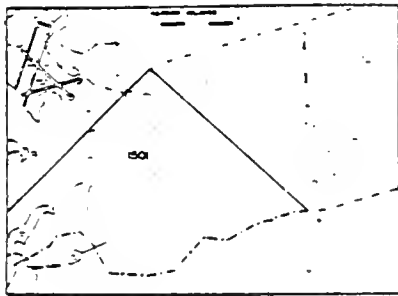
Tenants in many large investor-owner structures still require some form of assistance but the interface between financing, management, code enforcement and rent levels poses a complex set of issues not readily addressed.

Approximately 10% of Boston's population resides in public housing. For the most part, this stock is rapidly deteriorating while available federal and state modernization funds are diminishing. Boston has traditionally allocated 10% of CDBG allocation to both family and elderly developments.

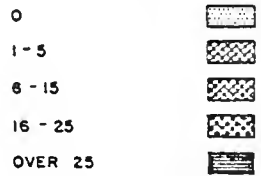
The threat of displacement of lower income residents by new higher income households has arisen within the context of neighborhood revitalization. The City is sensitive to these issues and has tried to strike a balance between revitalization and the stabilization of neighborhood housing markets. The City is committed to the objective of enabling low and moderate income homeowners to remain in their homes and simultaneously to maintain and upgrade them.

The need to relieve the spatial concentration of minority and low income groups within the city calls for an aggressive fair housing program consisting of information dissemination, counseling, complaint investigation, community relations and affirmative marketing.

A related issue, the need to provide economically and racially integrated assisted housing, is metropolitan in nature and clearly calls for a regional solution.

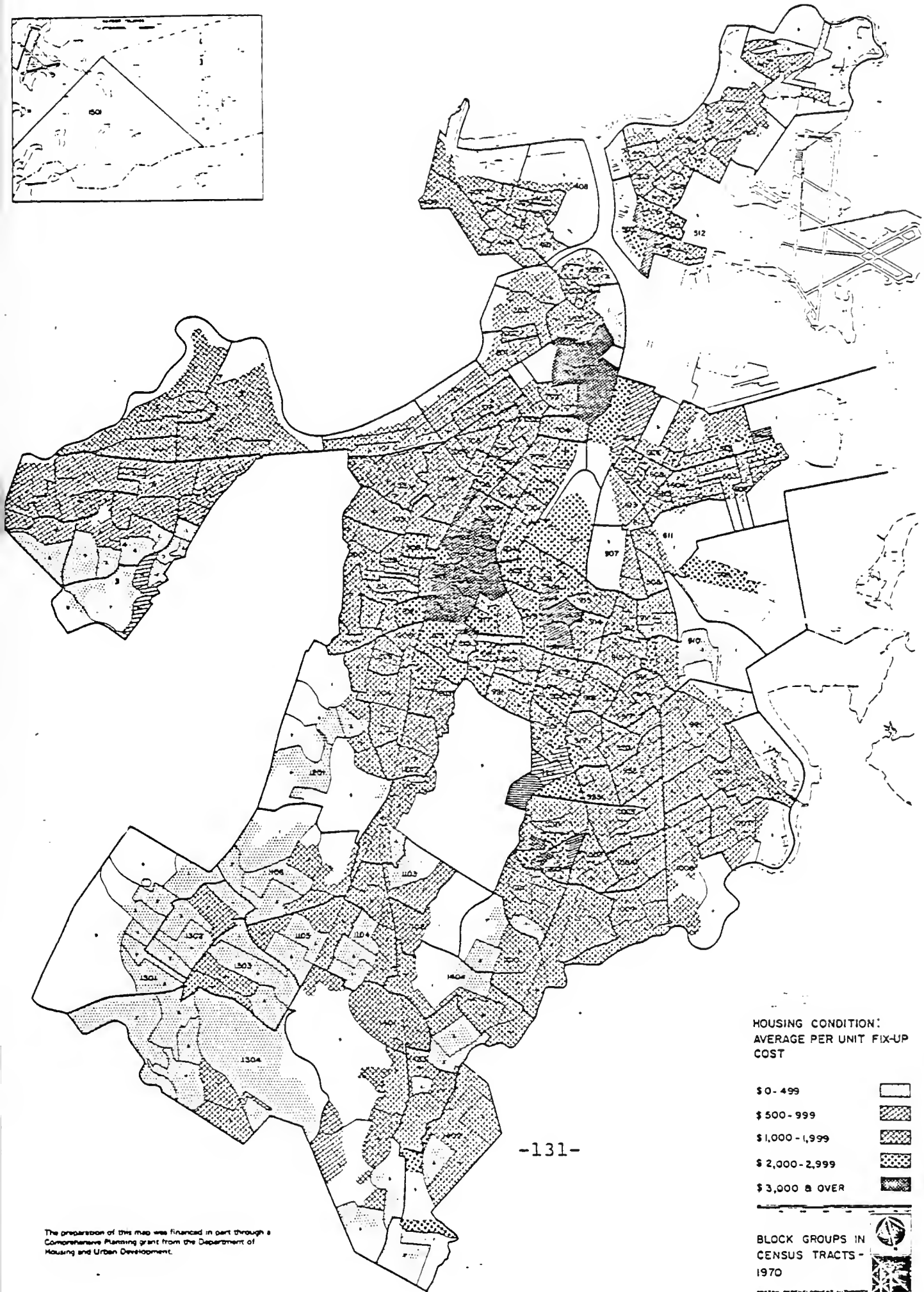
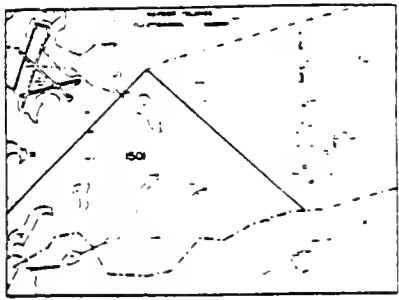


PERCENT OF ALL UNITS
REQUIRING GUT REHAB.
OR DEMOLITION



The preparation of this map was financed in part through a
Comprehensive Planning grant from the Department of
Housing and Urban Development.

BLOCK GROUPS IN
CENSUS TRACTS -
1970



HOUSING CONDITION:
AVERAGE PER UNIT FIX-UP
COST

- \$ 0 - 499
- \$ 500 - 999
- \$ 1,000 - 1,999
- \$ 2,000 - 2,999
- \$ 3,000 & OVER

The preparation of this map was financed in part through a Comprehensive Planning grant from the Department of Housing and Urban Development.

COMMUNITYWIDE PUBLIC FACILITY AND IMPROVEMENT NEEDS

Boston has three major facilities that serve the city population as a whole: City Hospital, the main downtown branch of the city library system and the Occupational Resource Center -- a vocational high school, which upon completion will offer enrollment to students from throughout the city.

In addition, the city is now developing plans for a centrally located elderly center open to all senior citizens. The center will combine the resources and activities of several programs currently run at scattered locations. It will thereby achieve a more comprehensive and more efficiently operated program of services for the elderly.

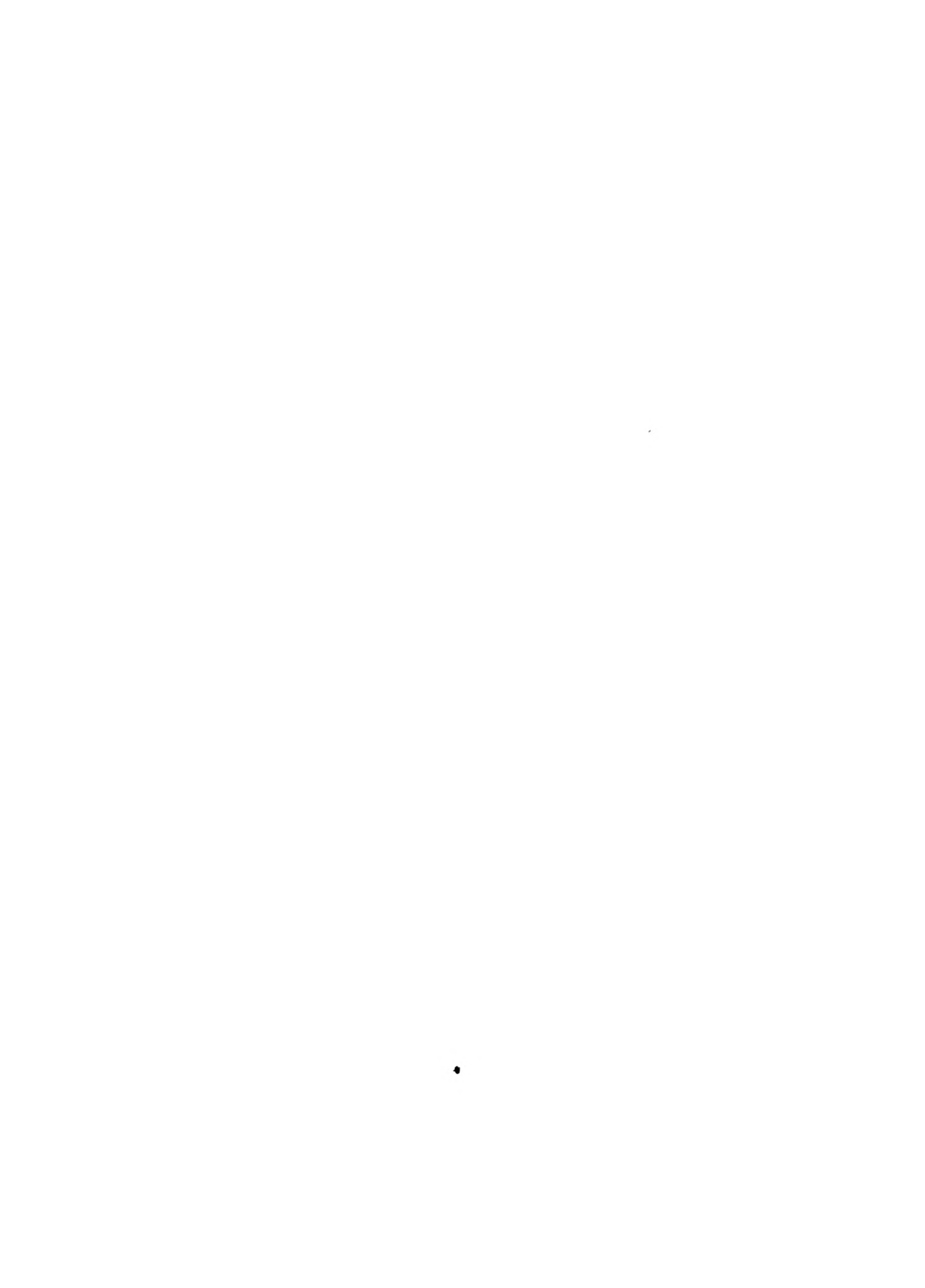
Beyond these special purpose citywide facilities, every city neighborhood has basic infrastructure needs which the city seeks to address through its annual capital improvement program: public works improvements, traffic signalization, rehabilitation of parks and playgrounds, and renovations to other municipal facilities.

Public Works

Highest priorities in virtually every neighborhood are for improved residential street lighting and replacement of old water and sewer systems. The City's Public Works Department and the newly created Water and Sewer Commission are making a concerted effort to address these needs.

In recent years the demand for improved street lighting has often been greatest in areas of the city whose lighting systems are still owned and controlled by Boston Edison, the local electric utility company. The City will eventually take over the lighting on such streets but can do so only gradually; it must rely on Boston Edison for interim upgrading.

Within the city limits there are some 780 miles of streets that should receive regular attention. Based on an average "life-expectancy" of 50 years (given periodic resurfacing), an ideal program of street/sidewalk maintenance in the city would call for reconstruction every year of some 40 miles of streets. In recent years, however, the City has been financially able to undertake only 15 to 18 (with State and Federal assistance). Here the City faces a critical need which it cannot meet with its own present resources.



Parks and Recreation Facilities

Most Boston neighborhoods are fortunate in the variety of park facilities available to serve their different age groups. The City's greatest concern is therefore with the care and rehabilitation of existing facilities rather than the development of any new parks. Given financial limitations, the capital improvements program for parks must be extremely selective, targeting specific projects in conjunction with other neighborhood investments and enlisting the cooperation of neighborhood organizations in the care and maintenance of these facilities.

Other Municipal Facilities

Over the past 12 years the City has replaced or modernized virtually all of its other municipal facilities--police and fire stations, branch libraries and local neighborhood municipal buildings. Current planning calls for replacement of or substantial renovation to one or two fire and police stations each year. The 10-15 year old master plan for the library system is virtually complete with replacement of two existing branches scheduled this year. Neighborhood municipal buildings--which accommodate youth and elderly activities as well as branch offices for city services--require periodic modifications for specific programs but substantial renovation only once every 10 to 15 years.

Traffic Control & Signalization Improvements

Thanks largely to the provisions of the jointly funded (state/federal) Urban Systems Program, the city has been able to undertake a continuing program of traffic control improvements to many of its major streets and business districts. The City has been increasingly successful at coordinating these improvements with other related projects: clearance of land for new economic development, new recreational amenities, special business district loan programs and the like. However, the current level of outside funding assistance is extremely critical to the City's ability to meet these needs.

ECONOMIC DEVELOPMENT NEEDS

Better Job Fit

The City's transformation to a services economy has generated an increasing flow of professional and technical skill-demand jobs, more readily captured by the suburban labor force than the central city.

Boston's residents have fewer skills than suburban residents. While over 62% of the City's jobs are in the expanding white-collar occupations, only 54% of the City's workers have these occupational skills. Overall, the City's labor force has captured an increasing share of the professional and clerical occupations, but there remains a comparative deficit of Bostonians experienced in managerial/administrative work and the skilled trades. There is a surplus of Boston labor force experienced in low-grade service and less skilled manual work.

The structural imbalance is more severe for the City's minority work force, which accounts for 15% of all city workers. With over 27% of City jobs in the professional/managerial occupations, only 14% of the employed non-white male residents were engaged in these occupations. This compares with 23% of the City's white males, and over 35% of the suburban males.

There is, therefore, the need to better equip unskilled residents to take advantage of newly generated service sector jobs through increased job training and improved job matching and referral services.

There is also a need to accelerate efforts to produce new manufacturing and other jobs which will be accessible to unemployed and underemployed City residents.

Site Availability and Costs

Major private development in Boston's inner city is severely handicapped by the noncompetitive costs of land clearance, assembly and infrastructure improvements, when compared to suburban sites. The problem is typical of older urban areas and is only exacerbated by the comparative regional disadvantages in factor costs faced by industry throughout the New England region. Principle disadvantages are in the areas of transportation, energy and property taxes.

There is, therefore, the continuing need to identify methods for subsidizing private development costs, utilizing such means as federal UDAG and EDA grants, tax-free revenue bond issues, loans, and use of the city's capital budget to absorb infrastructure costs.

Knowledge of site availability is another key element in the range of economic development variables. A computerized data file of available industrial sites city-wide is required. This would allow the matching of expansion or relocation needs of firms with appropriate sites and provide a basis for developing future investment strategies by site.

The revival of the city's real estate market, including the construction of much new office space, has led to increased vacancies in older downtown office buildings. Recycling incentives for these buildings should be explored, with particular emphasis on the incentives to develop incubation space for new firms and economically integrated quality housing.

High Technology Capital Needs

High technology is one area of major industrial potential in Boston and the surrounding region. Production of high technology instruments in the medical, scientific and engineering fields reflects the city's successful role as incubator for new technology firms. Unfortunately, the capital requirements peculiar to their stage of industrial growth hampers their job creation potential.

The particular capital needs of young high technology firms is a capital market problem national in scope and will not be resolved by local efforts. However, recent availability of capital to the Massachusetts Technology Development Corporation and the Community Development Finance Corporation increase prospects for successful expansion of the City's dynamic high technology base. City agencies such as the Economic Development Industrial Corporation (EDIC), the Boston Redevelopment Authority (BRA), and EEPA can make referrals to appropriate capital sources.

Cost of Living

One of the critical economic development issues facing low and moderate income people is the high cost of essential goods and services, such as food, utilities, housing and health services--those commodities, unfortunately, which are most subject to inflationary pressure. Because the private sector alone may not be able to adequately address these needs, special attention should be directed towards innovative ways of ensuring the most efficient use and conservation of neighborhood-level resources often overlooked by private businesses.

Effective neighborhood self-help efforts have, in Boston and other cities, begun to have a significant impact on the general quality of life, especially in those neighborhoods with large numbers of low-and-moderate income people. Activities range from housing rehabilitation and new construction to start-up of neighborhood-based businesses or projects that can assist to decrease the cost of purchasing an adequate standard of living. The existence of some 20 community-based development organizations (CBDOs) across the city provides an opportunity for the city to move forward in this direction. An assessment of how the city can facilitate appropriate neighborhood-based development and how it can integrate CBDO planning and development into the city's overall neighborhood revitalization and economic development efforts, would be an important step.

COMMERCIAL DEVELOPMENT NEEDS

Though continuing to offer a unique blend of modern retailing and old-fashioned service, Boston's neighborhood business districts still have a distance to go in meeting all the shopping needs of nearby residents. In some sections of the city, only a fraction of the shopping dollar is spent in the traditional neighborhood shopping area, the balance going to suburban malls, new city shopping facilities, and downtown. The consequential loss to the neighborhood and the city in jobs, tax revenues, shopping convenience, and property upkeep is substantial.

To strengthen the neighborhood business districts, a number of needs must be met:

LONG TERM FINANCING FOR BUSINESS INVESTMENT

In many parts of the city, businesses have difficulty in obtaining long-term financing for property acquisition and rehabilitation. Consequently, investment plans are shelved, or high interest costs and obligatory short-term borrowing strain business finances.

IMPROVED CUSTOMER SECURITY

In some areas the threat of crime causes those residents with the mobility to shop elsewhere to do so. This reduces the purchasing power available to merchants and makes it difficult to attract and hold businesses serving high income households.

IMPROVED BUSINESS SECURITY

Incidences of vandalism, robbery, and breaking and entering are among problems which tend to limit new investment by businesses. These crimes also make insurance difficult and costly to obtain, increasing the cost of doing business (costs which must ultimately be passed on the consumer in the form of higher prices).

INCREASED RANGE OF SHOPPERS GOODS

Like other cities, Boston has suffered from the post-war trend for major general merchandise retailers to vacate older business districts in favor of new malls and suburban strips. As a result residents of some neighborhoods are poorly served for purchase of clothing, home furnishings, and other shoppers goods, as residents are forced to go outside the neighborhood to find these items in any variety.

CONVENIENCE SHOPPING

Major food and drug chains have found it increasingly unattractive to maintain urban neighborhood operations because of high operating costs, increased security expenses, and lower demand for high-margin merchandise. Several areas have been impacted by this disinvestment trend and are currently in serious need of additional grocery and drug stores.

MORE PARKING

Business districts developed before the automobile's popularization frequently have limited parking facilities and are not competitive with parking available at suburban shopping locations.

IMPROVED STOREFRONTS

Unlike shopping centers, where shopfronts are subject to strict design controls, business district facades often reflect a hodge-podge of styles, ages, materials, colors, tastes, and sign sizes. The need for coordinated storefront improvements continues to be substantial.

SPACE FOR NEW DEVELOPMENT

Despite significant demand for additional retail facilities there is often little or no vacant real estate on which to accommodate them. If new businesses are to be brought in, it will require new, creative approaches to rehabilitation and reuse of existing structures.

IMPROVED IMAGE

The "image" factor in retailing has worked against older business districts. New shopping centers are aggressively promoted, contain heavily advertised businesses, and have design amenities which, superficially at least, make them more attractive than business districts.

IMPROVED MERCHANDISING TECHNIQUES

Many neighborhood businesses have suffered over the years from unattractive window displays, poor layout of merchandise and unsophisticated purchasing. There is a need for technical assistance on merchandising and management techniques.

HUMAN SERVICES AND SPECIAL NEEDS OF LOW INCOME RESIDENTS

The delivery of human services at the neighborhood level is an increasingly important need for both low and moderate income residents and for the stability of the neighborhoods. Quality of life is an integral part of neighborhood development and it is important to all residents that those with special needs in their neighborhoods receive the necessary services. Health care, day care for children and recreation are beyond the means of many City residents, particularly in areas needing concentrated investments.

New Non-English Speaking Residents

Boston will continue to experience an in-migration of low income residents who are not fluent in English. This includes Hispanic, Chinese, Cape Verdean and Russian speaking groups primarily. Their lack of fluency in English creates a special need to ensure that they have access to English language training and to the full range of programs and services available to other low income people. Many of these residents can be expected to reside in neighborhoods where they will have the support of an existing community of people who speak their native language. For this reason the City will continue to encourage neighborhood based programs, including Little City Halls and non-profit community groups, which meet the special needs of the non-english speaking communities. In addition, information about specific public programs in housing, employment, business development and human services will be made available through bi-lingual personnel and publications within each program.

Unemployed Minority Males

There is a disproportionately high rate of unemployment among minority male residents, both adult and teenagers. To support the development of neighborhoods where such unemployment is high, it is necessary to provide both an increased number of entry level jobs within, or with easy access to, these neighborhoods, and to provide increased training in higher job skills for which there is existing demand. Support of business districts within the neighborhoods through programs such as the Codman Square CDC, provision of a commercial development planner for Franklin Field or the implementation of a business district promotional program for Dudley Terminal will develop more jobs available to minority males. Other programs such as the Roberto Clemente training program in electrical and plumbing trades will provide skills in high paying jobs for which there is a great demand.

Inexperienced Low Income Homeowners

There are many solid opportunities for low-income homeownership in Boston. This presents both an opportunity and a problem. In the past many low-income, first-time homebuyers have seen their investment and work lost, in part because they lacked skills of experienced homeowners. Owner occupied homes which developed more problems than the new owners could handle deteriorated and were abandoned.

This created problems for tenants in the buildings and for whole neighborhoods. There is a need for counseling to help low income residents take advantage of homeownership opportunities as well as assist the new owner to budget and get the most for the home maintenance dollars needed to preserve the housing stock. The intricacies of lead paint removal, tenant-landlord relations and public housing assistance programs can all create problems for the inexperienced owner without some technical assistance. Counseling through the Housing Improvement Program or through interest reduction and high risk loan programs in Roxbury, Dorchester and Mission Hill will meet these needs.

Single-Parent Families

Higher rates of divorce and of unmarried parents are creating serious economic problems for low income parents. Inflation has forced many mothers to seek full or part-time employment. Both of these trends have created an increased need for child care and child development services which enable parents to remain or become employed and self-supporting. The City will continue to support non-profit community groups which are trying to meet these needs of the low and moderate income residents.

Elderly

The elderly population of the City includes a growing number who find themselves slipping into lower income status as they grow older. Most prefer to remain in the familiar surroundings of their neighborhoods, but encounter problems of mobility, appropriate housing, safety, socialization, health care and nutrition. Meeting these needs is an important part of the development program in most neighborhoods.

Youth

Problems of the youth population in many neighborhoods contribute to neighborhood deterioration. These problems take the form of vandalism, drug and alcohol abuse and intimidation of older residents. Particularly in low income neighborhoods, parents do not have the resources for either treatment of problems or the provision of positive activities and these two approaches must be supported by the public sector both directly and in cooperation with neighborhood non-profit groups.

Health Care

The availability of quality health care in the neighborhoods suffered due to a drastic decline in the number of private physicians practicing in urban areas. The growth of neighborhood health centers has enabled people to once again receive quality health care at reasonable cost in their neighborhoods.

This remains an important need for low-income elderly who may be unable or afraid to travel long distances for medical care. Non-English speaking residents are more likely to receive care in neighborhood centers which provide services in Chinese and Spanish. The City has supported the establishment of these centers to meet the needs of low income, elderly and non-english speaking residents and to support the general development of the neighborhoods, and will continue to do so on the future.

COMMUNITYWIDE FACILITIES STRATEGY

With the completion of a massive school construction program which included the citywide Occupational Resource Center, the City is now emerging from an approximately 12-year period which saw substantial investment in citywide facilities, including the development of the downtown Government Center. Renovations at the City/County Jail, continuing modernization at Boston City Hospital and the anticipated development of a citywide center for the elderly will now represent the greatest financing requirements for communitywide facilities.

Plans for the development of a City elderly center will depend upon successful arrangements with a local senior care organization experienced in providing services to the elderly and capable of assuming responsibility for the use of a building owned and constructed by the City. A variety of programs would be carried out to meet the full scope of elderly needs: social, recreational, nutritional and educational.

Because a significant percentage of the City's elderly population lacks the mobility to easily take advantage of these opportunities, the organization designated to run the center will play a key role in providing transportation for center patrons.

To develop the center the City would rely primarily on its own capital financing.

As it gradually moves away from large-scale citywide facilities, the City is able to concentrate more on local, neighborhood projects and a general effort to promote neighborhood confidence and stability. In the realm of capital improvements, this emphasis takes the form of closer consultation with neighborhood organizations in the improvement of any local City-owned facility. In a continuing program to modernize various local community centers, for example, the City's Public Facilities Department plans any renovations with a view to assisting human services activities (such as an after-school swimming program or an elderly hot lunch program) that take place in those facilities.

The renewed focus on neighborhoods also means a greater investment in local infrastructure: street lighting, sidewalks and street reconstruction and water and sewer improvements (the latter financed separately by the City's Water and Sewer Commission). While the needs and specific improvements vary by neighborhood, the Public Works program is financed and administered as a community-wide program. Similarly, now possible is an increased investment in local recreational facilities, carried out on a citywide basis by the Parks and Recreation Department.

The Handicapped

As a first step to increasing opportunities for the handicapped, Community Development Block grants for the removal of architectural barriers have been made to two of the largest institutions serving the handicapped in Boston. These two grants supplement seven neighborhood programs designed to meet the needs of Boston's handicapped individuals.

For the foreseeable future, the City expects to finance most capital improvements under its own municipal bonding authority. Plans for the capital improvement program include annual expenditures in the \$55 to 60 million range. Of this amount it is felt that roughly \$30-35 million could be characterized as investment in "neighborhood improvements" (such as a downtown parking garage or site development at the Charlestown Navy Yard).

While generally financed separately from the CDBG program, neighborhood capital improvements are proposed, evaluated and carried out in the context of the CDBG planning and implementation process. In developing strategies to strengthen neighborhood business districts, for example, the City's Office of Program Development works closely with the City's construction agencies to achieve a comprehensive investment effort.

ECONOMIC DEVELOPMENT STRATEGY

ECONOMIC DEVELOPMENT

The primary goal of the City's economic development strategy is to attract private investment that will create quality jobs for Boston residents, especially those who are long-term unemployed, underemployed or of low or moderate income.

This effort has several components addressing both the needs of businesses and those of this target population to better match new jobs to the labor force.

Marketing and outreach efforts are geared to inform the private sector of available public assistance. Outreach will take a number of forms.

Marketing

An industrial marketing program is being developed to solicit tenants for the City's major industrial projects: the Boston Marine Industrial Park in South Boston; the Crosstown Industrial Park and the adjoining Newmarket Improvement Project in the South End/Lower Roxbury, the Alsen Mapes Industrial Park in Dorchester, as well as other projects now on the drawing board. On a broader scale, strategies will be developed to market those other industrial sectors with substantial expansion potential.

Site Inventory and Evaluation

A computerized city-wide inventory of available industrial sites will facilitate matching developer interests with suitable parcels. This system has been developed on a pilot basis in Hyde Park and will be undertaken city-wide as funds are made available.

Capital Resource Mechanisms

The City will improve its capacity to do financial packaging for the expanding high technology sector. These generally young and relatively small firms will then be better equipped to use sources of innovative development capital and assistance such as the Massachusetts Technology Development Corporation and the State's Community Development Finance Corporation. The prospect of dynamic small and medium sized firms investing in Boston will further be enhanced by a CDBG allocation to the City's Economic Development and Industrial Corporation to employ financial analysts and loan packagers.

Other economic development programs and mechanisms the City will continue to pursue include:

- 121A tax agreements: These are based on a proportion of gross project income in lieu of property taxes for appropriate development projects. An important review criterion is the quantity and quality of employment that will accrue to City residents.
- Minority Contractors Set-Aside: The City has instituted a 10% minority set-aside for all purchasing through the capital and operating budgets, plus all federal investment programs (if a higher proportion is not required). In addition, a 30% minority construction set-aside has been targeted to those areas subject to severe economic stress.
- Infrastructure improvements are targeted to those areas having the greatest potential for fostering job-creating industrial and commercial development.

Job Training

The other side of the economic development equation is labor market capability. The City's goal in this area is to give its unemployed residents the skills to secure the jobs being generated in Boston's economy and to enable underemployed residents to upgrade and expand their existing skills to rise in the labor market. The City's Employment and Economic Policy Administration (EEPA) coordinates its job training programs closely with the City's overall economic development efforts. Training programs are designed to accommodate the needs of private employers through close contact between EEPA outreach personnel and businesses.

For example, the Skill Training Improvement Program teaches technical skills for high-wage growth-sector jobs. In addition, the City has assured that City residents tangibly benefit from the leasing of a major Crosstown Industrial Park parcel by developing an agreement with the Digital Equipment Corporation to give Boston residents preference in hiring. Digital has also arranged for a comprehensive training program through the Opportunities Industrialization Center of Greater Boston.

Community-Based Development Organizations

Neighborhood-based economic development is another dimension of the City's economic development strategy and is handled principally through community-based development organizations (CBDO's), with technical assistance from the City. Increasingly, CBDO's are being provided with seed money for staff, administrative expenses and projects through the Community Development Block Grant. This trend will continue as more CBDO's demonstrate the capacity to undertake neighborhood-based planning and development.

The CBDO's role in the City's economic development strategy focuses on job creation, housing and substitution of costly essential goods and services now purchased outside the City at inflated prices. A variety of resources at the neighborhood level can be tapped by CBCO's to accomplish these objectives.

COMMERCIAL DEVELOPMENT

The City's Neighborhood Commercial Development Strategy has three primary components:

(1) Ongoing Support Services and Improvements -- The City will continue to provide the following support services to neighborhood commercial areas:

- Restore Program (storefront improvement rebates and design assistance);
- Mounted and foot patrols;
- Organizational and technical assistance through Neighborhood Business Specialist-Planners;
- Public improvements and physical design amenities (sidewalks, parking facilities, street furnishings);
- Marketing and promotion assistance (posters, calendars, retail space marketing brochures, vacancy coordination, advertising and sales promotion assistance, street festivals);
- Business Information Centers (selected business districts will receive CETA-funded Business Information Center Coordinators to assist merchants with business planning, merchandising, and financing).

(2) Phase I Development Analysis -- To justify more intensive public investment in commercial areas, a thorough analysis of commercial development potential is being undertaken in each area, to identify major development problems, measure consumer demand for additional goods and services, develop architectural design concepts, and determine needed public investments to encourage and support private rehabilitation and development activities.

(3) Phase II Development Program -- To encourage new commercial investment, publicly assisted private financing tools are being designed and applied. These tools include:

- Low-Interest and LDC loans: The City will inject interest-free and low-interest loans into private lending packages, provided that loans will be used to rehabilitate and build business properties. City loans will also be packaged with U.S. Small Business Administration loans and loan guarantees to facilitate long-term financing. Loan-packaging, financial analysis, and professional design assistance will also be offered.

- Commercial Area Revitalization District Revenue Bonds: The City will utilize its tax-free borrowing powers to issue revenue bonds on behalf of private investors for rehabilitation or building commercial structures.

- Blue Hill Avenue UDAG Program: The Grove Hall and Dudley Station commercial districts will make use of rehabilitation rebates, low-interest loans, and extensive private bank commitments for intensive retail development over a three-year period.

- Education: The City will inform businesses of other financial incentives -- such as Federal investment tax credits for rehabilitation of older commercial buildings and Massachusetts Urban Job Incentive Tax Credits -- to further improve financing packages. The City will also make available extensive and detailed market data to assist investment decision-making.

APPENDIX 9

City of Boston- CEDS
Documents

INTRODUCTION & SUMMARY

III. CEDS SUMMARY

III.A. THE CITY'S MAJOR PROBLEMS RELATED TO ECONOMIC DEVELOPMENT

Boston's economic base has undergone considerable change over the last 25 years. Once a manufacturing center, Boston has shifted to greater specialization in services. Boston is a regional center for services, a position which has fostered the continued growth and importance of services to Boston's economy.

The growth in the services sector, up until the 1970's, had traditionally offset Boston's long-term losses in manufacturing, trade and construction. The recessions of 1971-72 and 1974-75 impacted Boston severely on all employment fronts and contributed to the loss of 58,000 jobs between 1970 and 1977. These losses more than wiped out the gains made during the 1960's and today, Boston has 20,000 fewer jobs than in 1960.

The effects of job losses and the shift to specialization in services have contributed to the multi-faceted problems facing Boston today:

- Boston's unemployment rate of 12.8% (April, 1977 estimate) is twice the national average and nearly a three-fold increase over 1970 when unemployment was 4.3%. Hardest hit groups are those aged 18-24, those with manual skills, and the Black and Hispanic Boston work force. Roxbury has the largest share of the unemployed (12.6%).
- Boston residents have captured a decreasing proportion of jobs in the City, lowered from 48% in 1960 to 38% in 1977. The rising employment sectors, particularly services, provide jobs in increasing proportions to commuters from the suburbs and outside the

SMSA. These commuters have the skills and education to out-compete Boston's displaced blue collar workers, who are now seeking jobs in the expanding economic sectors without the requisite skills.

- The low per capita income level in Boston (\$5,570 in 1975) is in part attributable to unemployment, but also to the low-wage jobs held by Boston workers. While some portion of the resident work force has migrated from the lost blue collar jobs to the growing service sector, the employment background of these City residents justifies speculation that they hold the relatively lower-wage occupations in this sector.

Based on these problems alone, it is clear that Boston's primary need is to increase the number and quality of jobs available to its work force. The corollary, however, is not that the City should abandon its efforts to encourage the growth of services and other expanding white collar job opportunities. On the contrary, building on and fostering the strengths of these sectors will be critical to the City's economic growth and to anchoring existing investment in the City. In addition, however, concerted public initiatives must be launched to diversify and stabilize the City's economic base in order to increase the quality job opportunities for Boston residents and to upgrade the skills of the labor force in order to capture the job opportunities created.

Other aspects of the problems facing the City are that income and unemployment problems do not stand in isolation of City concerns regarding its economic base and the quality of life in its neighborhoods. Boston is still suffering from the population loss experienced up to

1970 which contributed to housing deterioration and abandonment in Boston's older neighborhoods, and the decline of neighborhood commercial centers. Low incomes translate into less investment in housing, less local purchasing power, and contribute to rising inner-city problems of crime, deterioration and private sector disinvestment. The results are evident insofar as large segments of vacant or under-utilized land and buildings in commercial, industrial and residential areas of the City await reuse initiatives.

In addition, the property tax, the City's sole revenue source, is overconstrained by increasing demands for public improvements and services. In fiscal terms, Boston has not benefited from its own economic growth. Although property tax revenues have increased, they have absorbed a declining share of the City's gross product originating. The property tax has not reflected the City's economic growth, in part because property wealth has not risen commensurately. The loss of manufacturing has been replaced by a thriving service sector, which has required less capital investment per worker; and because the lifeblood of the property tax is capital investment, it has been relatively unresponsive to the service sector growth. The problem is exacerbated by the City's support of tax-exempt properties.

The substantial public investment required to leverage private investment far exceeds the City's available resources. Nonetheless, with the assistance of federal and state dollars in combination with the City's continuing fiscal management strategy, the City has been able to achieve \$1.25 billion in combined public and private investment in 1975, compared to \$600 million in 1960 (constant dollars). These investments have laid much of the groundwork for the City's development potential.

III.B. THE CITY'S MAJOR POTENTIAL FOR ECONOMIC DEVELOPMENT

Among the City's strengths is the pivotal role Boston plays in the economies of the metropolitan region and the state. Boston, as described in the preceding Part II.A., is a center for cultural, transportation, government, education, finance/insurance/real estate and many other services. Continued growth in the broad services sector is vital to the City's long-term economic health; on-going development programs and projects have aimed at anchoring and fostering that growth.

The potential for industrial development in Boston must be strategically cultivated. Recent gains in manufacturing employment indicate the prospects for future growth. Twelve of the City's nineteen manufacturing sectors experienced recent gains and included those paying above average wages. This advance has demonstrated that high wages, growth and a good competitive posture are possible in Boston and confirmed growth trends for three industries -- fabricated metals, instruments, and transportation equipment -- which have shown sustained growth since 1972. Two of these industries evidence the impact of the City-sponsored Boston Marine Industrial Park while the third reflects the City's role as incubator for new technology firms.

The Boston economy is today poised to diversify its manufacturing activity. For example, expansion is planned for the transportation and the computer equipment industries. This diversity supports a strategy of maintaining a broad-based economy. By complementing the printing, apparel and food industries, these new industries will ensure a broad range of job opportunities for residents of Boston. This manufacturing diversity is encouraged by Boston having wages that are competitive with other urban centers. This is true of both wage levels and wage

increases. At the same time, Boston's manufacturing sector pays above average wages among the City's industries as a whole. Boston can further support vigorous manufacturing activity because one-third of its labor force is distributed in occupations required by manufacturers.

The availability of the labor force for new manufacturing activity in Boston is indicated by the City's unemployment rate. Boston's existing and potential new firms must receive concerted, increased City attention toward meeting their location, expansion or other needs, if the City is to ensure their Boston location and provision of jobs to City residents.

Overall, the City's potential is indicated by a recent survey which revealed some \$5 billion of private developer proposals and public sector projects in the advanced planning stage. Compared to last decade's investment focus on downtown office structures, neighborhood improvements, and medical and higher education facilities, the new projects focus on public transit, port improvements and harbor-related facilities, industrial development, retail and hotel investment. Neighborhood improvements continue at high levels.

Many of the proposals cannot proceed without public investment in required infrastructure, estimated at the time of the survey at \$500 million. With fiscal austerity, the City has reduced its public improvements program and FY '78 tax rates were held at 1977 levels. State surplus revenues distribution, enacted in July, 1978, will be of considerable assistance to the City, particularly as the legislation is designed to address the needs of the older, larger urban areas in Massachusetts. Tax reform remains a fundamental need and the next few years will see an intensified effort to enable the generation of new revenue sources for Boston.

The Boston Plan, launched in 1977, was designed during these times of fiscal austerity to channel public investment for maximum leveraging of private investment. The Plan's four areas -- Blue Hill Avenue, Boston Harbor, Columbia Point, and Hyde Park -- have been targeted for testing new City initiatives in planning and coordinating development strategies for housing, transportation, energy, commercial and industrial development, as well as human services and manpower training. CEDS is providing support to that effort along with a City-wide context for economic development strategies.

III.C. THE CEDS GOALS AND POLICY PRIORITIES

The following CEDS goals are based on the problems and potentials of the City related to economic development:

1. Increase the number and quality of jobs for Boston residents in order to reduce unemployment and increase real income.
2. Induce and encourage the growth and diversification of Boston's economic base.
3. Strengthen the City's tax base in order to increase City revenues for providing improvements and services, while at the same time, reduce the City's dependence on the local property tax and continue a well-managed fiscal strategy.
4. Target infrastructure improvements to those areas having the greatest potential for fostering job-creating industrial and commercial development.
5. Promote and preserve the stability of neighborhoods as places to live and do business.

For each goal, specific statements are proposed (cf. Section 4).

In turn, these policy statements provide for program strategies. Based upon the CEDS goals, they reflect new directions for City efforts, while continuing the City's commitment to implement the Boston Plan and overall neighborhood and City-wide revitalization programs.

The economic development policy commitments of the City are focused on both priority areas and sectors. The priority areas include those of the Boston Plan -- Boston Harbor, Blue Hill Avenue, Columbia Point, and Hyde Park -- and on-going project commitments. Other areas, however, are not precluded from attention; areas offering considerable development potential and benefits will be among those considered for priority status in terms of specific projects.

The priority sectors comprise the manufacturing industries, particularly those offering job opportunities at higher-wage levels to the Boston resident work force and representing an expansion and diversification of the City's economic base. The City, however, continues its concern for the broadly-defined services industries, as this is the sector which will continue to strengthen Boston as the center for the region, whose investments will continue to revitalize its downtown core as well as its neighborhoods, and, with property tax reform, whose revenues will contribute to the long-term economic well-being of the City. In all cases, a determination of sector priorities will focus on the specific project being considered. Particular attention will be paid to the extent of positive quantifiable impact on target population groups (minorities, young adults, and others among the unemployed and underemployed) in terms of employment, income, or improvement of the neighborhood.

III.D. THE CEDS PROGRAM ACTIVITIES AND PROJECTS

The program strategies that are detailed in Sections 4 and 5 can be grouped for purposes of this summary as "institutional program activities" and as "specific projects." Institutional program activities

are those that call for a re-shaping of City programs that deliver economic development-related services to Boston's businesses and to Boston residents, short of direct public investment. Specific projects are those that call for direct public investment in one or more components of an overall economic development effort.

CEDS Institutional Program Activities

Many of the economic development program activities represent a continuation of existing City programs, while others constitute new activities and program directions. The latter require improved coordination among City staff, new funding commitments, and in some cases, new program tools. New City programs reflect the priority for stepping up efforts to stimulate the location and retention of job-creating firms which provide jobs to Boston's work force, particularly those enterprises paying above-average wages. Concurrently, intensified efforts are focusing on neighborhood and downtown revitalization strategies to sustain the momentum generated by past and on-going programs and public investment projects and commitments.

New programs designed to build the City's capacity for delivering development assistance to specific firms and areas toward the objective of matching City resources with needs for job creation and retention include:

- City-wide Commercial and Industrial Site Inventory. Already demonstrated on a pilot basis in Hyde Park, the Site Inventory will be expanded City-wide to enable the matching of developer interest with suitable parcels and increase the City's capacity to promote and guide development more effectively to meet City goals.

- Industrial and Commercial Marketing. Industrial marketing would expand the City's outreach and promotional efforts to serve priority development areas and dovetail with the entire development process. Commercial marketing at the neighborhood scale serves neighborhood commercial centers and is designed to increase the investment confidence of existing as well as potential investors and to inform businesses of available resources to meet their needs.
- Capital Resource Mechanisms. This effort includes increasing the City's capacity to facilitate development by expanding the use of financing tools at the local, state, and federal level. City staff will make appropriate referrals to capital tools and where appropriate provide "packaging" assistance. The City's industrial revenue bond program will be expanded.

Another new program works in conjunction with the foregoing elements. It is the Neighborhood Business Revitalization Program with its two-pronged focus: City-wide industrial development and targeted commercial development. Boston is a demonstration city for this new program sponsored by the Small Business Administration in cooperation with the Economic Development Administration and the Department of Housing and Urban Development. A City-wide local development corporation will be established to channel SBA loans to eligible industrial firms throughout the City. Targeted neighborhoods -- initially, Grove Hall and Dudley Station in the Blue Hill Avenue area -- will receive increased priority for SBA financing to promote commercial center revitalization. This latter component dovetails with a recently awarded UDAG for commercial revitalization programs in the Blue Hill Avenue area.

Manpower and Job Training Programs focus on direct job creation and overcoming barriers to employment and are coordinated closely with industrial expansion and other economic development projects. A new thrust has been the Private Sector Initiatives Program, developed as a public/private partnership to enable the design of training programs appropriate to private sector needs. Components of this wide-ranging program include the proposed Job Service Matching System, Pre-employment Seminars, expanded On-the-Job Training programs, and skill training improvement programs in higher-wage, high growth industrial occupations. New proposed training programs are also attempting to meet the needs of target population groups. Skills and job recruitment centers are an on-going major element of manpower development. Considerable effort has already been expended in developing the center at the BMIP; a current priority is to obtain funds for the center facility at the Crosstown Industrial Park (CTIP) to house training programs for area residents, particularly prospective employees of the new Digital Equipment Corporation facility at CTIP.

Specific Projects

Programs and projects outlined in the CEDS program are generally of three levels:

- (1) immediate priorities of the City in terms of continuing or expanding existing economic development programs and building upon past public and private investment.
- (2) preliminary program directions and project activities which will be subjected to more detailed analyses and thorough community review and review by the CEDS Committee.

(3) potential longer-term new program directions and project opportunities requiring further study and project development as well as more detailed analyses and thorough community review and review by the CEDS Committee.

The projects are those recommended by agencies in the City directly concerned with economic development. They were grouped as industrial projects, neighborhood projects and special or mixed use projects and subjected to preliminary assessment according to suitable criteria based on CEDS goals, policies and program strategies.

The preliminary assessment has resulted in the three groups of proposed projects outlined in the following tables. They are preliminary in the sense that, following thorough review by the CEDS Committee, these priorities may be altered.

APPENDIX 3

FROM CEDS 4 - September, 1978

PRELIMINARY GOALS, POLICIES AND PROGRAM STRATEGIES FOR
ECONOMIC DEVELOPMENTGOAL 1 -- JOBS AND INCOMEINCREASE THE NUMBER AND QUALITY OF JOBS FOR BOSTON RESIDENTS
IN ORDER TO REDUCE UNEMPLOYMENT AND INCREASE REAL INCOME.POLICY 1INCREASE THE JOB CAPTURE RATE OF BOSTON'S RESIDENT
LABOR FORCE BY ASSISTING RESIDENTS IN GAINING ACCESS
TO NEW JOBS IN BOSTON.PROGRAM STRATEGIESPublicize and improve information about hiring policies and job
openings of firms receiving development assistance.Target training programs to areas and population groups with
high unemployment rates.Expand efforts to work with the private sector in developing
and designing training programs.Encourage job-creating development in the neighborhoods
where appropriate.POLICY 2PROMOTE PRIVATE INVESTMENT CREATING JOBS ACCESSIBLE
BY BOSTON'S LABOR FORCE.PROGRAM STRATEGIESDevelopment assistance preference for job-creating firms
which locate in areas accessible to the most distressed population
and for firms which create jobs appropriate for such a labor
force.Assist the expansion of existing firms to retain or increase
the number of jobs in Boston.Development assistance preference for job-creating firms
agreeing to give hiring preference for Boston residents.

POLICY 3

PROMOTE PRIVATE INVESTMENT WHICH WILL CREATE HIGHER PAYING JOBS FOR BOSTON RESIDENTS.

PROGRAM STRATEGIES

Provide development assistance to job-creating firms paying appropriate jobs higher than average wages.

Continue to develop better communication between manufacturing firms and the City regarding their needs for expansion or location or other assistance.

POLICY 4

INCREASE THE ACCESS OF UNDEREMPLOYED AND UNEMPLOYED RESIDENTS TO HIGHER-PAYING JOBS THROUGH TRAINING PROGRAMS.

PROGRAM STRATEGIES

Upgrade the skills of the labor force to meet higher-paying job requirements in all sectors.

Promote, using training programs, early labor force entry of minorities to increase their job experience and skills.

GOAL 2 -- ECONOMIC BASE

INDUCE AND ENCOURAGE THE GROWTH AND DIVERSIFICATION OF BOSTON'S ECONOMIC BASE.

POLICY 5

RETAIN MANUFACTURING FIRMS IN THE CITY BY DEVELOPING PROGRAMS TO MEET THEIR NEEDS.

PROGRAM STRATEGIES

Intensify City outreach efforts to identify the needs of manufacturing firms.

Coordinate available and potential resources from the local, state and federal level, as well as the private sector to respond to the needs of appropriate firms.

Develop and implement programs designed to improve the City's image as a place to do business.

POLICY 6

PROMOTE A DIVERSIFIED ECONOMY AND TARGET GROWTH WITHIN THE MANUFACTURING SECTOR TO MAINTAIN A BROAD-BASED ECONOMY AND TO EMPLOY THE LABOR FORCE AVAILABLE FOR SKILLED AND SEMI-SKILLED INDUSTRIAL OCCUPATIONS.

PROGRAM STRATEGY

Intensify City assistance and promotional efforts for manufacturing growth industries employing skilled and semi-skilled workers.

POLICY 7

PROMOTE THE DEVELOPMENT OF INDUSTRIAL AREAS TO MEET THE NEEDS OF FIRMS EXPANDING OR LOCATING IN BOSTON.

PROGRAM STRATEGIES

Identify and evaluate available sites for industrial development potential and match sites with the needs of firms.

Market sites to potential firms

POLICY 8

PROMOTE THE EXPANSION AND LOCATION OF EXPORT-PRODUCING INDUSTRIES WHICH CAN CAPITALIZE ON THE CITY'S RESOURCES INCLUDING THE HARBOR AND THE AVAILABLE LABOR FORCE.

PROGRAM STRATEGIES

Continue to implement the export stimulation program.

Develop the Foreign Trade Zone.

Expand opportunities for Boston's containerport shipping.

POLICY 9

PROMOTE THE DEVELOPMENT OF HIGH TECHNOLOGY INDUSTRIES.

PROGRAM STRATEGIES

Where appropriate, intensify efforts to develop "incubator" space for high technology industries, capturing the reservoir of labor talent available in and near Boston.

Support and assist public and private efforts to increase the availability of financing and venture capital to growing high technology firms.

POLICY 10

PROMOTE AN INCREASED LEVEL OF PRIVATE INVESTMENT IN THE CITY FOR NEW CONSTRUCTION, REHABILITATION AND EXPANSION.

PROGRAM STRATEGIES

Use City resources to leverage private investment in both the short- and long-term.

Promote the use of available state and federal financing incentives and tools; provide staff technical assistance in their utilization.

Encourage new construction as well as the rehabilitation of existing, underutilized structures and the maintenance of older structures.

POLICY 11

PROMOTE INCREASED PRIVATE INVESTMENT IN ENTERPRISES BY UTILIZING THE FULL RANGE OF CAPITAL RESOURCES AVAILABLE TO THE CITY.

PROGRAM STRATEGIES

Expand the use of industrial revenue bonds by eligible industrial and commercial firms.

Stimulate private investment through expanded use of programs such as SBA loan guarantees or direct participation and state financing programs.

Intensify efforts to work with the City's financial community to identify and overcome hindrances to investment.

POLICY 12

CONTINUE TO FOSTER THE EXPANSION OF SERVICE INDUSTRIES, WHERE APPROPRIATE, AS A MAJOR GROWTH SECTOR CREATING JOBS IN THE CITY AND STIMULATING REVITALIZATION OF THE DOWNTOWN ECONOMY.

PROGRAM STRATEGIES

Use appropriate City and other public programs to spur service sector expansion, particularly where development is consistent with the City's major goals.

Promote the expansion of service sector sub-industries which are particularly appropriate to Boston as the primary provider of services to the region. One such example constitutes cultural enterprises.

GOAL 3 -- TAX BASE

STRENGTHEN THE CITY'S TAX BASE IN ORDER TO INCREASE CITY REVENUES FOR PROVIDING IMPROVEMENTS AND SERVICES, WHILE AT THE SAME TIME, REDUCE THE CITY'S DEPENDENCE ON THE LOCAL PROPERTY TAX AND CONTINUE A WELL-MANAGED FISCAL STRATEGY.

POLICY 13

SEEK VIA STATE LEGISLATION, THE ESTABLISHMENT OF MORE DIVERSIFIED REVENUE SOURCES (INCOME, SALES, HOTEL OCCUPANCY).

PROGRAM STRATEGIES

Work to achieve property tax reform at the State level.

Short of property tax reform, seek fiscal solutions such as urban-oriented state revenue surplus distributions and expanded state revenue sharing.

POLICY 14

REDUCE THE TAX BURDEN ON OLDER COMMERCIAL PROPERTIES RELATIVE TO NEW DEVELOPMENTS TO ENCOURAGE THEIR EXPANSION AND REHABILITATION.

PROGRAM STRATEGY

Attempt to reduce tax disparities between old and new commercial development by updating assessments to reflect fair market value (consideration for age and condition).

POLICY 15

BETTER MONITOR THE USE OF CHAPTER 121A TAX AGREEMENTS AS A MEANS OF ENCOURAGING NEW JOB-CREATING INVESTMENT, IN THE CONTEXT OF CITY SERVICE COSTS AND FAIR TAX BENEFIT RETURN.

POLICY 16

DEVELOP SUITABLE SITES FOR TAX-GENERATING USES.

PROGRAM STRATEGIES

Significant tax benefits from a site's development will be a major factor in assessing City priority for development assistance.

Tax-exempt institutional development must avoid absorbing property now yielding taxes and minimize erosion of the tax base through maximum efficiency in use of land and facilities, tax-exempt institutions will be encouraged to enter into joint development with tax-paying uses.

POLICY 17

SECURE PAYMENTS IN LIEU OF TAXES FROM TAX-EXEMPT INSTITUTIONS AS A CONDITION FOR THEIR EXPANSION.

PROGRAM STRATEGY

Tax-exempt institutions should either make payments in lieu of taxes or provide comparable services in lieu of taxes, or both, as may be appropriate, as part of any development proposals.

POLICY 18

CONTINUE TO ATTRACT NEW RESIDENTS TO THE CITY TO INVEST IN HOUSING, ETC., WHILE STILL FOCUSING ON THE NEEDS OF THE CITY'S EXISTING RESIDENTS.

PROGRAM STRATEGY

Promote revitalization of City neighborhoods with consideration for the needs of existing residents and accommodating and stimulating the new investments.

GOAL 5 -- NEIGHBORHOOD STABILIZATION

PROMOTE AND PRESERVE THE STABILITY OF NEIGHBORHOODS
AS PLACES TO LIVE AND DO BUSINESS.

POLICY 22

REVITALIZE NEIGHBORHOOD COMMERCIAL DISTRICTS.

PROGRAM STRATEGY

Encourage improvements to neighborhood commercial districts with concerted efforts to insure their physical and economic viability.

POLICY 23

PROMOTE LAND USES WHICH ARE COMPATIBLE AND PRESERVE OR STENGTHEN THE QUALITY OF THE NEIGHBORHOOD.

PROGRAM STRATEGY

Examine the inter-relationship and compatibility of uses in the planning stages and evaluate the extent to which such uses meet overall goals of neighborhood revitalization.

POLICY 24

ENCOURAGE HOUSING REINVESTMENT AND MAINTENANCE.

PROGRAM STRATEGY

Direct planning and development efforts to support the viability of neighborhoods and resident confidence in their future.

GOAL 1 -- JOBS AND INCOMEINCREASE THE NUMBER AND QUALITY OF JOBS FOR BOSTON RESIDENTS
IN ORDER TO REDUCE UNEMPLOYMENT AND INCREASE REAL INCOME.POLICY 1

INCREASE THE JOB CAPTURE RATE OF BOSTON'S RESIDENT LABOR FORCE BY ASSISTING RESIDENTS IN GAINING ACCESS TO NEW JOBS IN BOSTON.

PROGRAM STRATEGIES

Publicize and improve information about hiring policies and job openings of firms receiving development assistance.

Target training programs to areas and population groups with high unemployment rates.

Expand efforts to work with the private sector in developing and designing training programs.

Encourage job-creating development in the neighborhoods where appropriate.

POLICY 2

PROMOTE PRIVATE INVESTMENT CREATING JOBS ACCESSIBLE BY BOSTON'S LABOR FORCE.

PROGRAM STRATEGIES

Development assistance preference for job-creating firms which locate in areas accessible to the most distressed population and for firms which create jobs appropriate for such a labor force.

Assist the expansion of existing firms to retain or increase the number of jobs in Boston.

Development assistance preference for job-creating firms agreeing to give hiring preference for Boston residents.

POLICY 3

PROMOTE PRIVATE INVESTMENT WHICH WILL CREATE HIGHER PAYING JOBS FOR BOSTON RESIDENTS.

PROGRAM STRATEGIES

Provide development assistance to job-creating firms paying appropriate jobs higher than average wages.

Continue to develop better communication between manufacturing firms and the City regarding their needs for expansion or location or other assistance.

POLICY 4

INCREASE THE ACCESS OF UNDEREMPLOYED AND UNEMPLOYED RESIDENTS TO HIGHER-PAYING JOBS THROUGH TRAINING PROGRAMS.

PROGRAM STRATEGIES

Upgrade the skills of the labor force to meet higher-paying job requirements in all sectors.

Promote, using training programs, early labor force entry of minorities to increase their job experience and skills.

GOAL 2 -- ECONOMIC BASE

INDUCE AND ENCOURAGE THE GROWTH AND DIVERSIFICATION OF BOSTON'S ECONOMIC BASE.

POLICY 5

RETAIN MANUFACTURING FIRMS IN THE CITY BY DEVELOPING PROGRAMS TO MEET THEIR NEEDS.

PROGRAM STRATEGIES

Intensify City outreach efforts to identify the needs of manufacturing firms.

Coordinate available and potential resources from the local, state and federal level, as well as the private sector to respond to the needs of appropriate firms.

Develop and implement programs designed to improve the City's image as a place to do business.

POLICY 6

PROMOTE A DIVERSIFIED ECONOMY AND TARGET GROWTH WITHIN THE MANUFACTURING SECTOR TO MAINTAIN A BROAD-BASED ECONOMY AND TO EMPLOY THE LABOR FORCE AVAILABLE FOR SKILLED AND SEMI-SKILLED INDUSTRIAL OCCUPATIONS.

PROGRAM STRATEGY

Intensify City assistance and promotional efforts for manufacturing growth industries employing skilled and semi-skilled workers.

POLICY 7

PROMOTE THE DEVELOPMENT OF INDUSTRIAL AREAS TO MEET THE NEEDS OF FIRMS EXPANDING OR LOCATING IN BOSTON.

PROGRAM STRATEGIES

Identify and evaluate available sites for industrial development potential and match sites with the needs of firms.

Market sites to potential firms

POLICY 8

PROMOTE THE EXPANSION AND LOCATION OF EXPORT-PRODUCING INDUSTRIES WHICH CAN CAPITALIZE ON THE CITY'S RESOURCES INCLUDING THE HARBOR AND THE AVAILABLE LABOR FORCE.

PROGRAM STRATEGIES

Continue to implement the export stimulation program.

Develop the Foreign Trade Zone.

Expand opportunities for Boston's containerport shipping.

POLICY 9

PROMOTE THE DEVELOPMENT OF HIGH TECHNOLOGY INDUSTRIES.

PROGRAM STRATEGIES

Where appropriate, intensify efforts to develop "incubator" space for high technology industries, capturing the reservoir of labor talent available in and near Boston.

Support and assist public and private efforts to increase the availability of financing and venture capital to growing high technology firms.

POLICY 10

PROMOTE AN INCREASED LEVEL OF PRIVATE INVESTMENT IN THE CITY FOR NEW CONSTRUCTION, REHABILITATION AND EXPANSION.

PROGRAM STRATEGIES

Use City resources to leverage private investment in both the short- and long-term.

Promote the use of available state and federal financing incentives and tools; provide staff technical assistance in their utilization.

Encourage new construction as well as the rehabilitation of existing, underutilized structures and the maintenance of older structures.

POLICY 11

PROMOTE INCREASED PRIVATE INVESTMENT IN ENTERPRISES BY UTILIZING THE FULL RANGE OF CAPITAL RESOURCES AVAILABLE TO THE CITY.

PROGRAM STRATEGIES

Expand the use of industrial revenue bonds by eligible industrial and commercial firms.

Stimulate private investment through expanded use of programs such as SBA loan guarantees or direct participation and state financing programs.

Intensify efforts to work with the City's financial community to identify and overcome hindrances to investment.

POLICY 12

CONTINUE TO FOSTER THE EXPANSION OF SERVICE INDUSTRIES, WHERE APPROPRIATE, AS A MAJOR GROWTH SECTOR CREATING JOBS IN THE CITY AND STIMULATING REVITALIZATION OF THE DOWNTOWN ECONOMY.

PROGRAM STRATEGIES

Use appropriate City and other public programs to spur service sector expansion, particularly where development is consistent with the City's major goals.

Promote the expansion of service sector sub-industries which are particularly appropriate to Boston as the primary provider of services to the region. One such example constitutes cultural enterprises.

GOAL 3 -- TAX BASE

STRENGTHEN THE CITY'S TAX BASE IN ORDER TO INCREASE CITY REVENUES FOR PROVIDING IMPROVEMENTS AND SERVICES, WHILE AT THE SAME TIME, REDUCE THE CITY'S DEPENDENCE ON THE LOCAL PROPERTY TAX AND CONTINUE A WELL-MANAGED FISCAL STRATEGY.

POLICY 13

SEEK VIA STATE LEGISLATION, THE ESTABLISHMENT OF MORE DIVERSIFIED REVENUE SOURCES (INCOME, SALES, HOTEL OCCUPANCY).

PROGRAM STRATEGIES

Work to achieve property tax reform at the State level.

Short of property tax reform, seek fiscal solutions such as urban-oriented state revenue surplus distributions and expanded state revenue sharing.

POLICY 14

REDUCE THE TAX BURDEN ON OLDER COMMERCIAL PROPERTIES RELATIVE TO NEW DEVELOPMENTS TO ENCOURAGE THEIR EXPANSION AND REHABILITATION.

PROGRAM STRATEGY

Attempt to reduce tax disparities between old and new commercial development by updating assessments to reflect fair market value (consideration for age and condition).

POLICY 15

BETTER MONITOR THE USE OF CHAPTER 121A TAX AGREEMENTS AS A MEANS OF ENCOURAGING NEW JOB-CREATING INVESTMENT, IN THE CONTEXT OF CITY SERVICE COSTS AND FAIR TAX BENEFIT RETURN.

POLICY 16

DEVELOP SUITABLE SITES FOR TAX-GENERATING USES.

PROGRAM STRATEGIES

Significant tax benefits from a site's development will be a major factor in assessing City priority for development assistance.

Tax-exempt institutional development must avoid absorbing property now yielding taxes and minimize erosion of the tax base through maximum efficiency in use of land and facilities, tax-exempt institutions will be encouraged to enter into joint development with tax-paying uses.

POLICY 17

SECURE PAYMENTS IN LIEU OF TAXES FROM TAX-EXEMPT INSTITUTIONS AS A CONDITION FOR THEIR EXPANSION.

PROGRAM STRATEGY

Tax-exempt institutions should either make payments in lieu of taxes or provide comparable services in lieu of taxes, or both, as may be appropriate, as part of any development proposals.

POLICY 18

CONTINUE TO ATTRACT NEW RESIDENTS TO THE CITY TO INVEST IN HOUSING, ETC., WHILE STILL FOCUSING ON THE NEEDS OF THE CITY'S EXISTING RESIDENTS.

PROGRAM STRATEGY

Promote revitalization of City neighborhoods with consideration for the needs of existing residents and accommodating and stimulating the new investments.

GOAL 4 -- INFRASTRUCTURE

TARGET INFRASTRUCTURE IMPROVEMENTS TO THOSE AREAS HAVING THE GREATEST POTENTIAL FOR FOSTERING JOB-CREATING INDUSTRIAL AND COMMERCIAL DEVELOPMENT.

POLICY 19

IMPROVE THE DECISION-MAKING PROCESS REGARDING CITY PUBLIC INFRASTRUCTURE IMPROVEMENTS.

PROGRAM STRATEGY

Weigh the costs and benefits of infrastructure improvements on a case by case basis to assess the short- and long-term economic benefits, particularly where infrastructure substantially precedes the economic development of an area.

POLICY 20

PROMOTE NEW AND IMPROVED USES OF TRUCK, RAIL AND PORT ACCESS TO FOSTER JOB-CREATING DEVELOPMENT.

PROGRAM STRATEGIES

Better our understanding of the costs and methods of the movement of goods.

Development and planning should focus on existing and potential transportation linkages.

POLICY 21

PROMOTE FULLER UTILIZATION OF EXISTING INFRASTRUCTURE, WHERE APPROPRIATE.

PROGRAM STRATEGY

Develop vacant, underutilized sites already appropriate for development.

GOAL 4 -- INFRASTRUCTURE

TARGET INFRASTRUCTURE IMPROVEMENTS TO THOSE AREAS HAVING THE GREATEST POTENTIAL FOR FOSTERING JOB-CREATING INDUSTRIAL AND COMMERCIAL DEVELOPMENT.

POLICY 19

IMPROVE THE DECISION-MAKING PROCESS REGARDING CITY PUBLIC INFRASTRUCTURE IMPROVEMENTS.

PROGRAM STRATEGY

Weigh the costs and benefits of infrastructure improvements on a case by case basis to assess the short- and long-term economic benefits, particularly where infrastructure substantially precedes the economic development of an area.

POLICY 20

PROMOTE NEW AND IMPROVED USES OF TRUCK, RAIL AND PORT ACCESS TO FOSTER JOB-CREATING DEVELOPMENT.

PROGRAM STRATEGIES

Better our understanding of the costs and methods of the movement of goods.

Development and planning should focus on existing and potential transportation linkages.

POLICY 21

PROMOTE FULLER UTILIZATION OF EXISTING INFRASTRUCTURE, WHERE APPROPRIATE.

PROGRAM STRATEGY

Develop vacant, underutilized sites already appropriate for development.

GOAL 5 -- NEIGHBORHOOD STABILIZATION

PROMOTE AND PRESERVE THE STABILITY OF NEIGHBORHOODS
AS PLACES TO LIVE AND DO BUSINESS.

POLICY 22

REVITALIZE NEIGHBORHOOD COMMERCIAL DISTRICTS.

PROGRAM STRATEGY

Encourage improvements to neighborhood commercial districts with concerted efforts to insure their physical and economic viability.

POLICY 23

PROMOTE LAND USES WHICH ARE COMPATIBLE AND PRESERVE OR STENGTHEN THE QUALITY OF THE NEIGHBORHOOD.

PROGRAM STRATEGY

Examine the inter-relationship and compatibility of uses in the planning stages and evaluate the extent to which such uses meet overall goals of neighborhood revitalization.

POLICY 24

ENCOURAGE HOUSING REINVESTMENT AND MAINTENANCE.

PROGRAM STRATEGY

Direct planning and development efforts to support the viability of neighborhoods and resident confidence in their future.

APPENDIX 10
City of Boston: CEDS
Committee Resolution with
regard to Columbia Point

CEDS COMMITTEE

CITY OF BOSTON

OCTOBER 24, 1979

RESOLUTION

WHEREAS, the CEDS Committee of the City of Boston has determined that the following projects will have immediate and significant economic development benefit to the City of Boston, and hence are essential elements of Boston's Comprehensive Economic Development Strategy, and

WHEREAS, these projects are entirely consistent with and will further the CEDS Goals and Objectives, and,

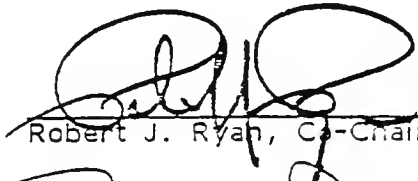
WHEREAS, these projects are ready for implementation,

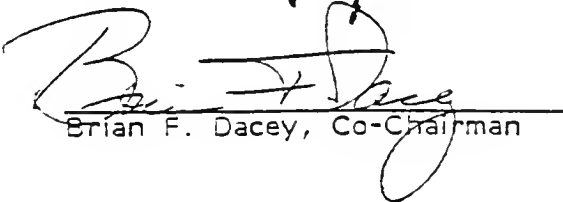
NOW THEREFORE BE IT RESOLVED that the CEDS Committee determines the following projects to be the City of Boston's top priority economic development projects for FY 1980:

Charlestown Navy Yard (BRA)
Copley Place (BRA)
Columbia Point (BRA)
Theater District (BRA)
Boston Garden (BRA)
Building #22/Dry Dock #3 - Boston Marine Industrial Park (EDIC)
Building #31 - Boston Marine Industrial Park (EDIC)
Army Base Adaptation (EDIC)
Pier #6 - Boston Marine Industrial Park (EDIC)
Comprehensive Energy Feasibility Analysis (EDIC)

BE IT FURTHER RESOLVED that the CEDS Committee requests the Co-Chairmen to proceed with carrying out negotiations with the Economic Development Administration towards securing EDA funds for these priority projects.

BE IT FURTHER RESOLVED that said negotiations with EDA be carried out only in the context that the CEDS Committee intends to submit to EDA a similar list of priority projects submitted by CDC's, and that the CEDS Committee will seek EDA funding of said CDC proposals to the extent advocated by the CEDS Committee.


Robert J. Ryan, Co-Chairman


Brian F. Dacey, Co-Chairman

APPENDIX 11
Corporate Background of
Corcoran, Mullins, Jennison,
Inc.- A Joint Venture
Partner of Bayside Assoc.

CORCORAN, MULLINS, JENNISON, INC.

Founded in 1971, Corcoran, Mullins, Jennison, Inc. has established a distinctive reputation for quality and diversification in real estate development.

CMJ deals with each project on an individual basis so that it corresponds appropriately to the needs of the individual community. At the same time, we consider alternate approaches on a single project to determine the most workable one. This approach is one of the many factors that has been responsible for CMJ's success during the past ten years of the cyclical housing industry.

CMJ projects range from open-spaced, cluster communities, to urban high-rise construction to the transformation of obsolete factories and warehouses into attractive housing communities.

Our creativity in handling such developments whether it be in the areas of development, construction, management, or financing, has laid the groundwork for socially successful and financially sound developments for ourselves, our investors, and the communities we serve.

In 1981, CMJ opened a Washington, D.C. office to develop opportunities in the D.C./Baltimore areas. In 1982, 35 million dollars in rehabilitation work got underway in Maryland. Vice President, Joseph Clarke runs the regional office. Development in the central and southeastern states are also handled from this office.

CMJ, Inc. has developed more than 4000 units of new housing valued in excess of \$200 million. At the advanced planning stage are housing and commercial proposals totalling \$350 million.

Sea Pines, Route 6A, Brewster.

CMJ's planned unit development, the first such development of its kind in the state, was completed in 1978. Set on 35 acres with an 100 ft. private beach on Cape Cod Bay, Sea Pines features 151 attached and detached homes in a cluster zoned arrangement that preserves its natural surroundings. This \$20 million resort complex has been cited in numerous national publications for its planning, architectural, and landscape design.

Ocean Edge, Route 6A, Brewster

Our newest luxury condominium complex is located just a mile down the Bay from Sea Pines. Each clustered home is sited on either the beach or by a spring fed pond.

The development is the site of the 48 acre historic Nickerson estate which includes a 31 room mansion and carriage house. The estate will be preserved and become the focal point of a new executive conference center complete with new villas overlooking Cape Cod Bay.

Ramblewood Apartments, Holbrook, MA.

This 170 unit complex is complementary sited to its rural surroundings. Ramblewood exemplifies CMJ's multi-family planning concept which provides housing for the elderly and families within the same development. 144 garden apartments are designated for the elderly while 26 townhouses with separate entrances are for families.

Millbrook Square Apartments for the Elderly, Arlington.

This five story elevated 147 unit development was financed by HUD with construction financing provided by the Massachusetts Housing Finance Agency.

CMJ has earned national recognition for its ability to change hopeless blighted projects into viable neighborhoods and vacant, obsolete commercial structures into architecturally distinctive buildings of habitation.

By laying the groundwork of astute physical and social planning, we have been able to provide quality housing in foresaken situations.

Keystone Apartments, Boston.

This recycled building was once an A & P warehouse before CMJ turned it into a 132 unit elderly housing project..

The Village at Montpelier, Laurel, Maryland.

CMJ purchased this 519 unit development from the Department of HUD. HUD had foreclosed on the property in 1977. After years of mismanaged and condemned buildings, the CMJ Management Company took over the management of the property which had 200 remaining families living in slum conditions. In a year, CMJ Management has socially converted it into a liveable community. CMJ has now purchased the property from HUD and will be rehavitating the buildings and converting them into a viable mixed income community like King's Lynne with the original families remaining.

King's Lynne, Lynn.

This extraordinary 441 unit, privately owned development replaced a failed public housing project called America Park. King's Lynne serves as a model for solving public housing problems nationwide. Part of the success of this development is the partnership of the tenants organization and CMJ. Under this arrangement, the tenants are able to share in the gross syndication proceeds and a portion of the annual cash flow which goes into the operation of the complex.

Conditions at America Park were so bad that most of the buildings were abandoned and condemned.

A new thrust of CMJ, Inc. is our commercial projects which benefit our own housing population by providing it with necessary services and amenities, depending upon the particular development.

Cobble Hill Center, Somerville.

This 10 acre site holds CMJ's 11,800 sq. ft. one story brick retail building which will house neighborhood oriented convenience retail stores and small businesses. Located just behind our 224 unit Cobble Hill Apartment complex, this project will also serve the entire Somerville neighborhood as well.

Ocean Edge Inn and Country Club, Brewster, MA.

The Nickerson mansion and carriage house known as Fieldstone Hall will be the Cape's first executive level conference center. It will facilitate small to moderate size groups for conferences, plenary sessions, and workshops. The inn and country club will include a restaurant, lounge, health club, and 6 Hard tru tennis courts which will be open to conference attendees as well as Ocean Edge residents.

Construction...Taking challenges and building on them.

Led by Gary Jennison, our CMJ Construction Companies enable us to meet complex construction challenges while maintaining our high standards for quality. All projects stay within allotted budgets and on schedule. The construction companies build for CMJ, Inc. and non-CMJ developments.

Peabody Square, Boston.

Designed as a turnkey project, CMJ developed and built this elderly housing project of 103 units for the Boston Housing Authority. A unique aspect is that the building is built directly over the MBTA subway tunnel. The site required the utilization of a structure steel support system that was carefully designed to span the tunnel without adding stress of burden to the underground system.

Squamscott View Apartments, Exeter, New Hampshire.

This building was planned by CMJ, Inc. and built by CMJ Construction Company as a turnkey project for the Exeter Housing Authority.

The traditionally designed structure complements the very special architecture of nearby Exeter Academy.

Milton Academy, Milton

This non-CMJ development features contemporary styled 1400 sq. ft. wood frame townhouses that are located on a handsome four acre wooded site. The units are being used as on compus living for faculty members.

Management....Building a sense of commjnity.

The CMJ Management Company recognizes that satisfied residents are the greatest asset to a sound investment property. This company is responsible for overall management operations and for setting policies and

and quality standards for all of CMJ's developments. The management company has strict financial practices always maintaining reserves for replacement and improvements. These standards have made our buildings look better with age providing maximum gross rental income and minimum maintenance expense.

Queene Anne's Gate Weymouth.

A CMJ development that was built 10 years ago under the Massachusetts Housing Finance Agency's pioneer mixed income housing concept. Queen Anne's continues to receive national recognition for its 434 units of apartments and townhouses. The complex has been cited by Housing, Wall Street Journal, and the Christian Science Monitor for the first successful implementation of mixed income housing which combines market rate tenants with low income families who pay only 25% of their income for rent.

Support Services...Using our innovative financial experience and investment ideas.

The CMJ finance and accounting department is responsible for providing financial support to all the affiliated companies within CMJ. An in-house computerized accounting and management information system lends support to CMJ's development, property management and construction operations.

CMJ Realty Investors

The CMJ Realty Investors Company was formed to take greater advantage of CMJ, Inc. and its affiliates' capabilities. The extensive expertise we have developed in the past decade in the areas of new development, construction, and management, and the support services evolved to aid these phases, has put the overall organization in a unique position to invest in large and more geographically diversified areas.

We have been servicing investors through private offering since 1972 and our first development, Queen Anne's Gate. We have raised \$20 million in capital from over 150 individual private investors. It is noteworthy that each of these properties has outperformed their prospectus by 20% in the rate of return to the investors. As General Partner, CMJ takes pride in

the financial operating performance and its impeccable financial relationships with each lending institution as well as the limited partners. As a result, the superb physical appearance and conditions of these properties are indicative of the total CMJ quality approach to all aspects of operations.

CMJ Realty Investors with its public offerings will provide additional capital to expand the development and acquisition opportunities that are open to a sound company with unlimited building, operational, and management capabilities.

APPENDIX 12
Corporate Background of
O'Connell Bros. Constr.
Co. Inc.- A Joint Venture
Partner of Bayside Assoc.

OBC Inc.

One Heritage Drive, North Quincy, Massachusetts 02171

(617) 328-0055

O.B.C., INC.

O.B.C., Inc. was founded as O'Connell Brothers Construction Company in 1969 by William and Peter O'Connell of Quincy, Mass. In the past 11 years, O.B.C., Inc. has developed and built over 1,500 residential housing units representing over \$40,000,000 of development. Projects such as the recycling of the Historic Mohican Hotel, New London, Connecticut, into 150 units of housing for the elderly and the Clipper Ship, a 132 unit luxury apartment complex with a 50 slip marina, are indicative of the diversified projects O.B.C., Inc. has undertaken.

Energy Conservation is of prime concern to the O'Connell Brothers. Granite Place, built in 1978-1979, a 270-unit rental housing complex for the elderly and handicapped, has the largest multi-family solar hot water system in the Northeast. With 6,000 Square Feet of Daystar solar collectors, the system provides 80 percent of it's domestic hot water heating needs. The system also includes an experimental 1,200-cell photovoltaic collector array used to power and the hot water system circulation pumps-a unique symbiotic relationship.

An aggressive approach to commercial development has enabled O.B.C., Inc. to successfully develop several commercial ventures. The 172,000 Square Feet, Commercial Union Office Building, and the 186,000 Square Feet, Boston Financial Data Services Complex are examples of the class A office space developed, built and managed by O.B.C., Inc.

Currently under construction is the 328,125 Square foot Monarch III office complex with an adjoining 990 space garage. The financing for this project is being assisted by a \$2 million UDAG from HUD. This is the third O'Connell venture at the State Street South office park representing \$60,000,000 of investments.

Recently, the O'Connell Brothers have entered into a joint venture with Marina Industries to develop the 350 acre site of the former Squantum Air Base, a \$250,000,000 project.

O.B.C., Inc., along with its property management division O'Connell Management Company, Inc., has a staff of trained professionals familiar with all phases of the development process from site selection, project feasibility analysis through construction supervision and property management.

O.B.C., INC.

SUMMARY OF DEVELOPMENTS

Hancock House: 93 units, Quincy, Mass.

General Contractor-O'Connell Brothers Construction Company

Construction Financing-Quincy Cooperative Bank

Permanent Financing-Department of Housing & Urban Development 223 (

Development Amount-\$2,000,000

Granite Place: 270 units, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-Industrial National Bank of Rhode Island

Development Amount-\$8,000,000

Sagamore Towers I: 213 units, Quincy, Mass.

General Contractor-O'Connell Brothers Construction Company

Construction Lender-New England Merchants National Bank

Permanent Financing-John Hancock Insurance Company

Development Amount-\$4,500,000

Sagamore Towers II: 225 units, Quincy, Mass.

General Contractor-O'Connell Brothers Construction Company

Construction Financing-Guaranty First Trust, Waltham, Mass.

Permanent Financing-Department of Housing & Urban Development 223

Development Amount-\$5,000,000

PAGE 2

Clipper Ship Apartments: 132 units, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-Industrial National Bank of Rhode Island

Permanent Financing-Government National Mortgage Association

Development Amount-\$7,000,000

Mohican Hotel: 150 units, New London, Conn.

General Contractor-O.B.C., Inc.

Construction Financing-Connecticut Housing Finance Authority

Permanent Financing-Connecticut Housing Finance Authority

Development Amount-\$5,000,000

Louisburg Square South Condominiums Phase I: 52 units, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-Guaranty First Trust Company

Development Amount-\$3,000,000

Louisburg Square South Condominiums Phase II: 121 units, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-Guaranty First Trust Company

Development Amount-\$10,000,000

Commercial Union Office Building: 172,000 Square Feet, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-Industrial National Bank of Rhode Island

Permanent Financing-Bankers Life Company, Des Moines, Iowa

Development Amount-\$12,000,000

PAGE 3

Boston Financial Data Services Building: 186,000 Square Feet, Quincy, Mass.

General Contractor-O.B.C., Inc.

Construction Financing-State Street Bank & Trust Company

Development Amount-\$14,000,000

Monarch III Office Building: 328,125 Square Feet- 990 Space garage,
Quincy, Mass.

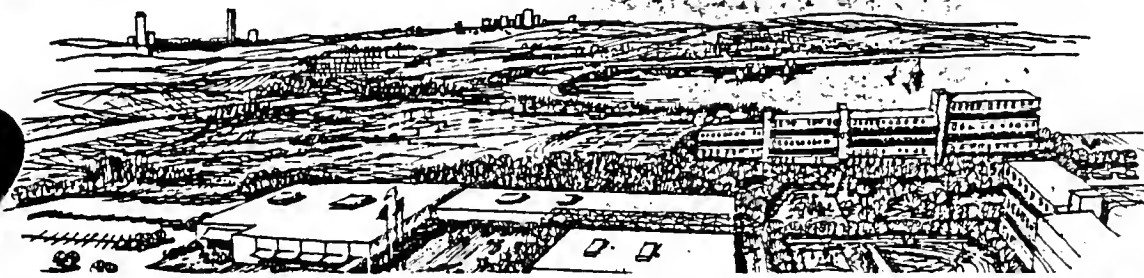
General Contractor-O.B.C., Inc.

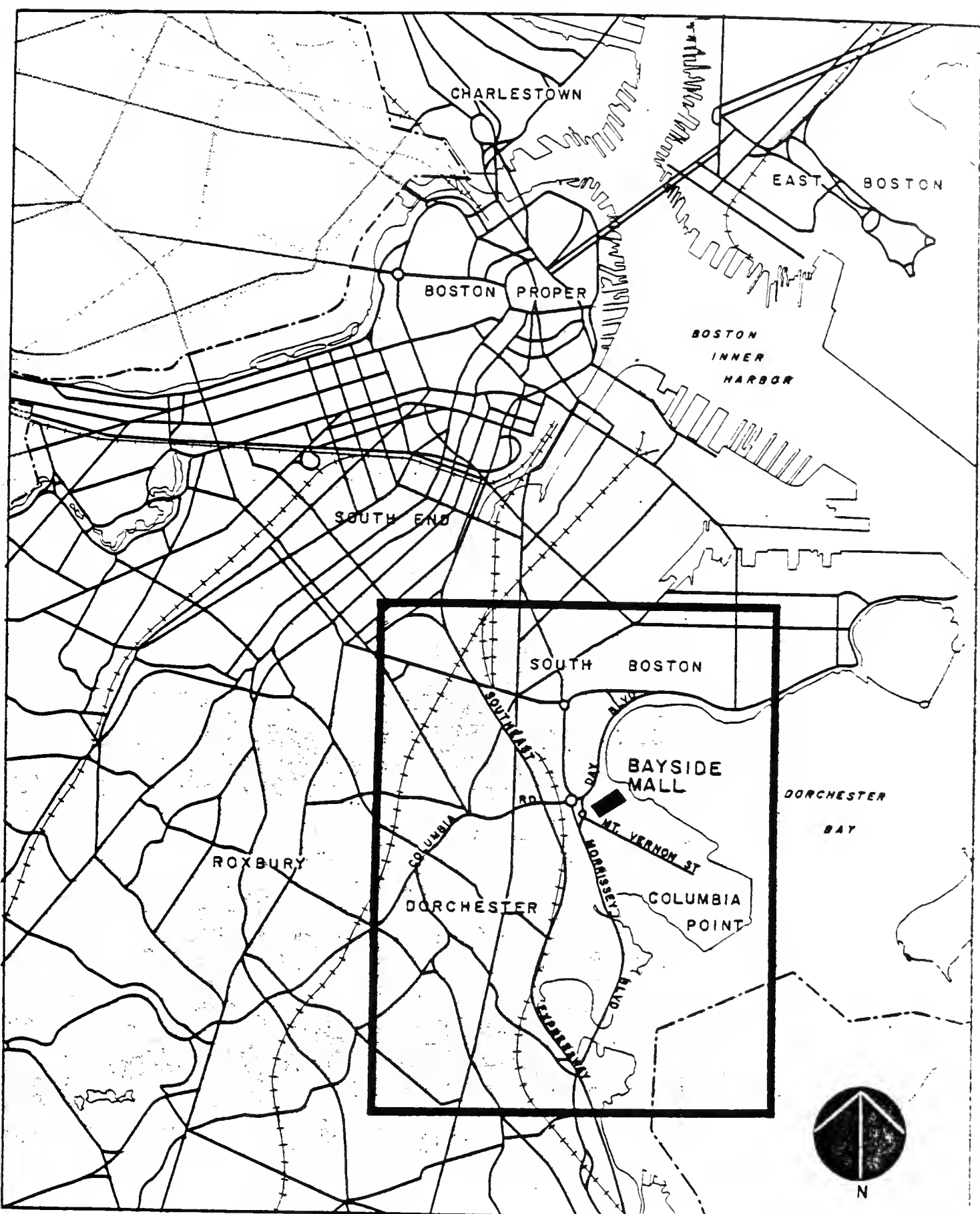
Construction Financing-State Street Bank & Trust Company

Development Amount-\$35,000,000

APPENDIX 13
Columbia Point Market
Study: Retail Market,
September, 1979

COLUMBIA POINT

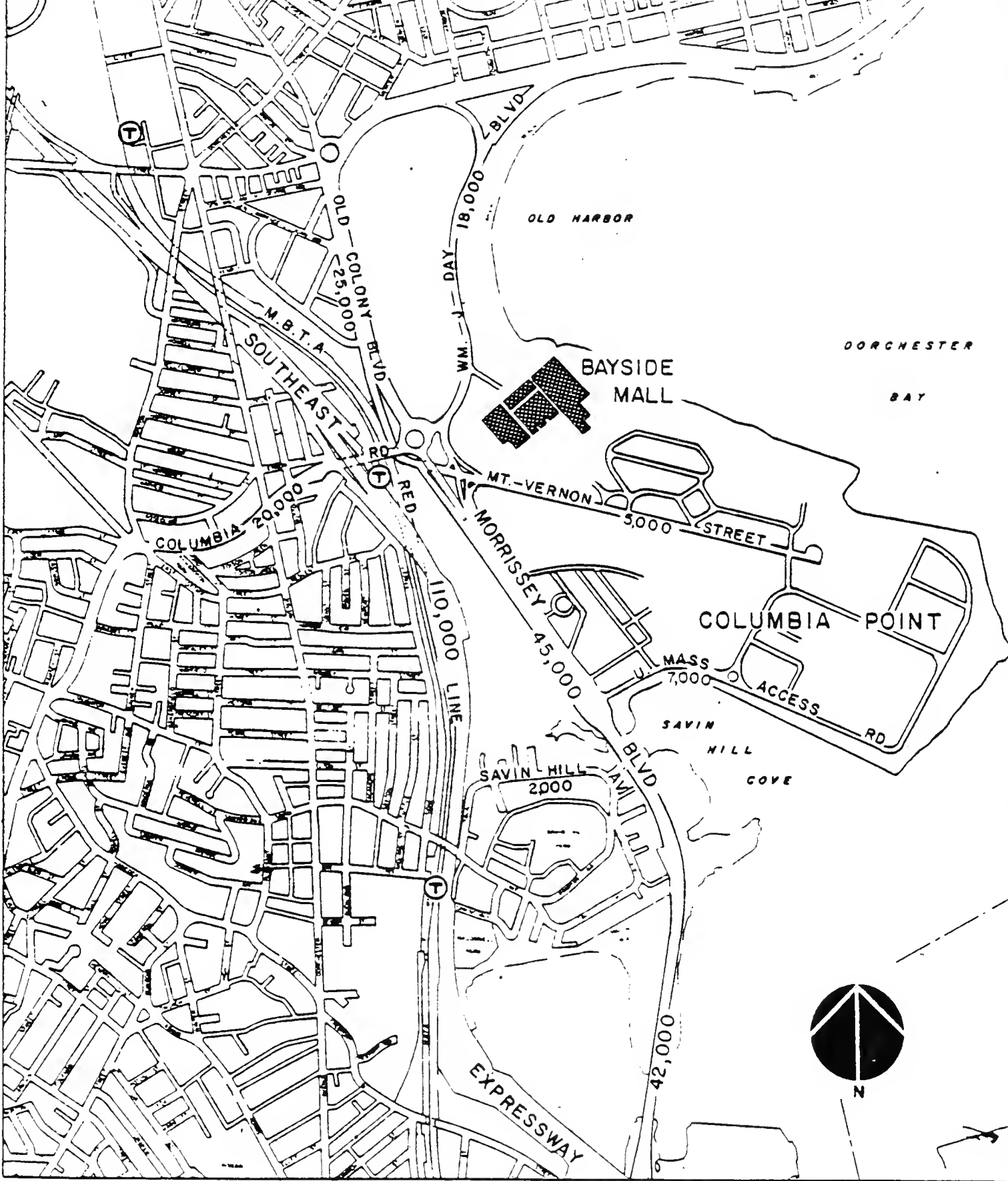




MAP I
 COLUMBIA POINT
 BAYSIDE MALL LOCATION & ACCESS

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MAP 2

COLUMBIA POINT
 EXISTING TRAFFIC VOLUMES — DAILY 24 HOUR

A. SUMMARY

Bayside Mall is a 280,000 square foot shopping center at Columbia Point constructed in 1966. When Bayside Mall first opened, it was widely used by residents from Dorchester, Savin Hill and Columbia Point with some patronage from South Boston. By 1973, 26 out of the original 33 stores discontinued their business and moved out. Of the original tenants, only a branch of the First American Bank for Savings remains today. Recently, the Boston Teacher's Union leased 33,000 square feet of space in the mall for its office and meeting facilities.

The Boston Plan for Columbia Point calls for the revitalization of shopping facilities to serve residents of Columbia Point as well as the South Boston and Dorchester communities. Since there are few modern shopping centers nearby, a complete change in the image of Columbia Point, and the new market potential generated by the University of Massachusetts, existing businesses and the major residential expansion described in the Boston Plan, will enable a shopping mall to compete successfully with other commercial districts and to meet the needs of the community.

Bayside Mall offers an optimum location for retail development because of positive site qualities, such as visibility and accessibility (see Map 2), and because of unmet demand for better located and more competitive retail services by neighboring populations. 150,000 square feet of retail space here could be supported successfully by populations within a one mile radius.

Since the shopping center in the past has been underutilized, this study was conducted to determine the market feasibility of re-opening all or a portion of Bayside Mall as a shopping mall. Markets for alternative shopping facilities were also studied to get a perspective on alternative shopping facilities that are available.

The Calf Pasture Pumphouse is another possible retail site on Columbia Point. The mix of uses here would be different from those at Bayside Mall and could include a conference center, restaurant facilities, retail shops and student services, which are directed toward peninsula residents, the tourist trade at the Kennedy Library and student trade at U/Mass. A community center providing services to the residential population could also be included at the Pumphouse and would serve as a link to the University and other institutional uses. By developing the Pumphouse as well as Bayside Mall, the different types of demand on Columbia Point and in the general area can be successfully met.

B. MARKET AREA

1. Definition

The market area for Bayside Mall, as defined by this study, includes all of South Boston and Columbia-Savin Hill, as well as Columbia Point itself (see Map 3). The 1976 market survey for

TABLE 1: COLUMBIA POINT MARKET AREA DEMOGRAPHIC CHARACTERISTICS

Market Area	Total Population	% under 14 yrs.	% over 65 yrs	# persons/ household	% Families Female Headed	Median Family Income*	# of house-holds	% Below Poverty	1977 Bayside Mall Survey		
									% holds a car	Did Shop There?	Would there again?
South Boston	38,488	28%	14.2%	2.83	27%	\$ 9,500	9,115	13.5%	48%	86%	83%
Columbia-Savin Hill	32,833	35%	13.1%	3.24	23%	13,500	7,869	10.6%	53%	67%	80%
Columbia Point-existing	1,100	50%	9.0%	4.03	56%	5,000	315	50.8%	11%	100%	100%
Existing Total	72,421	31.5%	13.6%	3.03	26%	11,240	17,299	12.9%	50%	78%	82%
Columbia Point-proposed	5,000	30%	15%	3.0	20%	18,000	2,000	25.0%	65%	N.A.	N.A.
Projected Total	76,321	31%	14%	3.0	22%	\$12,050	18,984	12.2%	56%	N.A.	N.A.

*Source: 1978 Plesser Survey for City of Boston

Bayside Mall included parts of Franklin Field and Fields Corner as well; both areas were excluded from the present study because the response to a question about whether the respondent would shop again at Bayside was very low. Fields Corner is well served by the Morrissey Boulevard shopping centers and Franklin Field by the Washington Park and Dudley areas and it is therefore unlikely that residents of these areas would patronize Bayside Mall.

2. Demographic Characteristics (see Table 1)

Currently, 72,400 persons live within approximately one mile of Bayside Mall, with an estimated 5,000 additional residents anticipated upon completion of the new and renovated housing at Columbia Point. Of this projected total, approximately 31% will be under 14 and 14% elderly. The proposed housing includes both family and elderly units, with an average household size of 3 persons per unit.

Currently, there are a total of 17,300 families in the market area, with approximately 12% below the poverty line. One thousand five hundred families are proposed to live on Columbia Point, compared to the current population of 250 family and 80 elderly households. In 1978, family median income was higher in Columbia-Savin Hill (\$13,500) than in South Boston (\$9,500); or Columbia Point (\$5,000); the average for the market area was \$11,240. It is assumed that fifty percent (50%) of the housing at Columbia Point will be market rate which will attract families with somewhat higher incomes (approximately \$22,000).

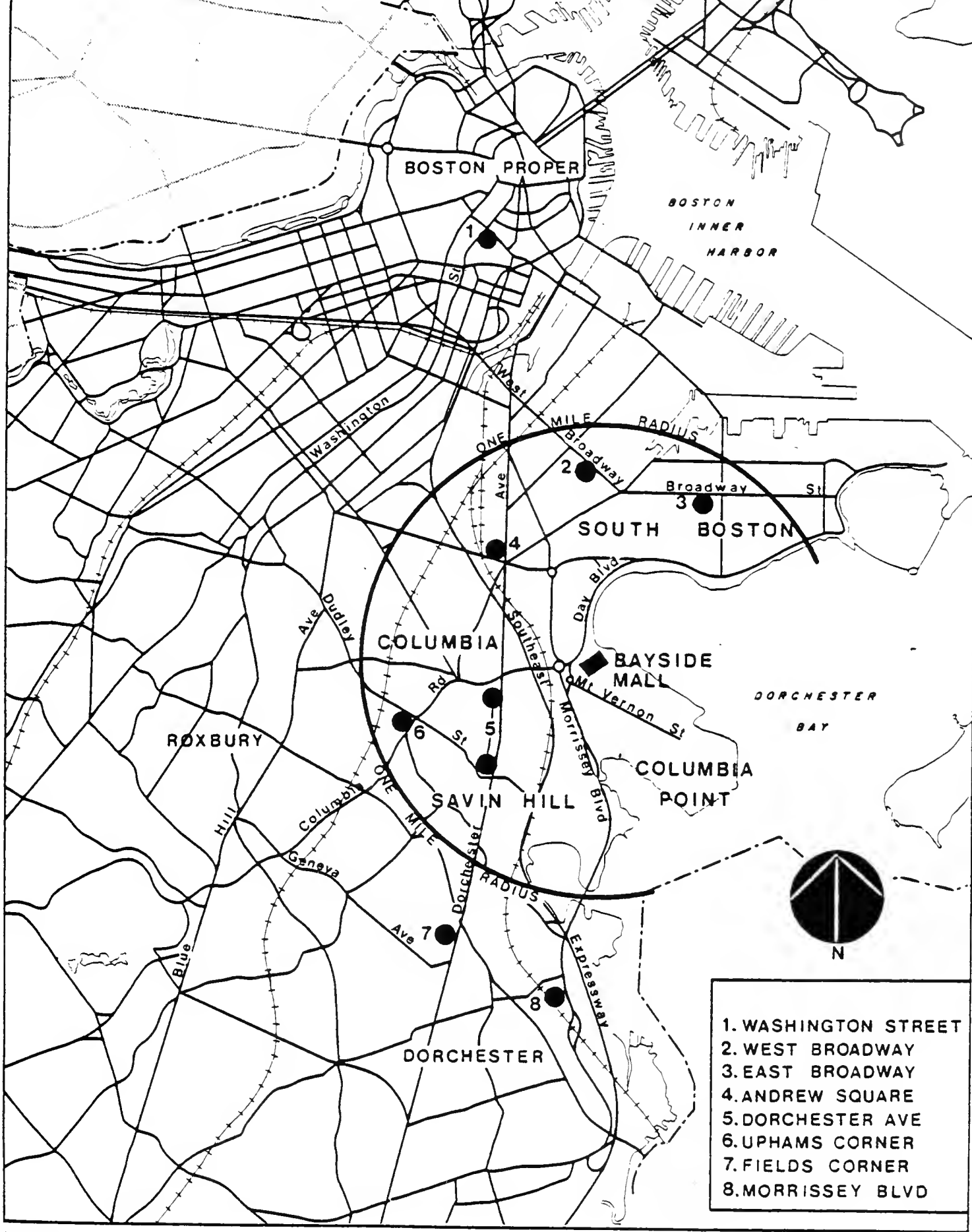
In addition to the residents of the immediate area, Bayside Mall could effectively draw on demand from people traveling through the area (see Map 2). Large volumes of traffic go through the area each day and convenient access from Morrissey Boulevard and the Southeast Expressway will allow commuters to run errands quickly or facilitate use of restaurants or entertainment facilities by residents of other parts of the city. Columbia Station is approximately a 10 minute walk from Bayside Mall and this, as well as improved bus routes to Columbia Point, will increase demand from those without access to a car who now go to Morrissey Boulevard or Gallivan Boulevard via taxis.

C. IDENTIFICATION OF POTENTIAL RETAIL MARKET

1. Current Area Shopping Patterns

In 1977, the BRA conducted a shopper survey by telephone in an area that stretched from Broadway in South Boston on the north to Fields Corner and Geneva Avenue on the south; Columbia Point on the east to Blue Hill Avenue and Dudley on the west (see Map 3).

The sample totaled 580 households, with one out of every fifty households on each street selected from a Polk Directory. Of the original 580 person sample, 32% (189) responded to the survey. Questions in the interview asked for information on weekly grocery



- 1. WASHINGTON STREET
- 2. WEST BROADWAY
- 3. EAST BROADWAY
- 4. ANDREW SQUARE
- 5. DORCHESTER AVE
- 6. UPHAMS CORNER
- 7. FIELDS CORNER
- 8. MORRISSEY BLVD

MAP 3
COLUMBIA POINT
BAYSIDE MALL MARKET AREAS
 BOSTON REDEVELOPMENT AUTHORITY

and clothing shopping, and banking habits. The main goal was to find where area residents did their shopping, why there, and how they got there. Specific questions were also asked about attitudes toward Bayside Mall.

(a) Food Shopping

Generally, those interviewed shopped within their neighborhood or close by for food (see Table 2). Twenty-five percent of the South Bostonians interviewed shop on Broadway and 20% on Morrissey Boulevard. Fifty percent of those in Columbia-Savin Hill shop at Morrissey Boulevard. Forty-two percent of the Uphams Corner residents shopped in Uphams Corner or at the Stop & Shop on Washington Street. Fifty-five use a car to do grocery shopping and 42% cite convenience as their main reason for shopping where they do.

Table 2: Food Shopping by Neighborhood

NEIGHBORHOOD	Broadway		Field's Corner		Morrissey Boulevard		Upham's Corner		Downtown Boston		Gallivan Boulevard		Washington Street		Other		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
SOUTH BOSTON	16	25%	1	2%	13	20%	7	11%	9	14%	11	17%	1	2%	6	9%	64	100%
COLUMBIA - SAVIN HILL	1	2%	4	8%	24	50%	7	14%	1	2%	6	12%	1	2%	5	10%	49	100%
UPHAM'S CORNER	0	0%	4	5%	10	13%	14	19%	1	1%	5	6%	17	23%	25	34%	76	100%
TOTAL AREA	17	9%	9	5%	47	24%	28	14%	11	6%	22	11%	20	11%	38	20%	189	100%

(b) Clothes Shopping

As shown on Table 3, the majority of those interviewed shop downtown (68%) or at various suburban malls (20%) for clothing. They prefer the quality of stores and variety of choices in these areas. Most (40%) drive or take the MBTA (35%) to clothing stores.

Table 3: Clothes Shopping By Neighborhood

NEIGHBORHOOD	Broadway		Morrissey Boulevard		Upham's Corner		Downtown Boston		Gallivan Boulevard		Other		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
SOUTH BOSTON	2	3%	1	2%	0	0%	48	76%	3	5%	9	14%	63	100%
COLUMBIA - SAVIN HILL	0	0%	0	0%	3	5%	39	70%	1	2%	13	23%	56	100%
UPHAM'S CORNER	0	0%	2	3%	4	6%	41	59%	0	0%	23	32%	70	100%
TOTAL AREA	2	1%	3	2%	7	4%	128	68%	4	2%	45	23%	189	100%

(c) Banking Services

A problem was encountered with questions about banking. People often refused to reveal their banking habits or did not bank (48%). As shown on Table 4, the general trend, however, is that most people bank locally or near their jobs in downtown Boston.

People cited convenience, habit and good service as reasons for banking where they do. Thirty percent drive to their banks.

Table 4: Banking by Neighborhood

NEIGHBORHOOD	Broadway		Dudley Street		Field's Corner		Upham's Corner		Downtown Boston		Bayside Mall		Gallivan Boulevard		Other		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
SOUTH BOSTON	19	30%	0	0%	0	0%	0	0%	11	18%	0	0%	2	3%	31	49%	63	100%
COLUMBIA - SAVIN HILL	2	4%	0	0%	5	9%	16	29%	6	11%	3	5%	1	2%	23	40%	56	100%
UPHAM'S CORNER	0	0%	6	9%	3	4%	20	29%	3	4%	1	1%	0	0%	37	53%	70	100%
TOTAL AREA	21	11%	6	3%	8	4%	36	19%	20	11%	4	2%	3	2%	91	48%	189	100%

(d) Bayside Mall

The second part of the interview included questions about Bayside Mall. The respondents were asked whether or not they had been to the mall and for what reasons. Then they were asked if they would consider going in case of re-opening.

Of those surveyed, 41% had visited the mall occasionally while 30% often frequented the mall. Seventy nine percent said they would shop at Bayside Mall if re-opened. Of these, 15% said they would shop at Bayside Mall only under tighter security. About 14% (mostly from Uphams Corner area) considered the mall too distant and inconvenient, while still others shunned the place because of its reputation or past experience.

The market demand for Bayside Mall was spread over a fairly large area. It was strong within the entire area surveyed, except for the area on the western part of the study area bounded by Blue Hill Avenue and the Penn Central Railroad (see Map 3).

In general, the problems which caused Bayside Mall to close were not due to the lack of a market, but internal problems, such as management and security of the stores.

2. South Boston

(a) Competitive Retail Facilities

The major commercial district in South Boston is on West Broadway at Dorchester Street. The area includes approximately 80 retail stores, including two grocery stores, several furniture stores, small department stores and many other stores typically found in a community shopping area.

While the basic needs of South Boston shoppers are adequately served, customers surveyed by the BRA in 1976 cited several problems with the district, including lack of parking and the general deterioration of the area's appearance. Positive aspects included convenience to home (a majority, 75% of shoppers in this area walk or take the bus to the business district), and the variety of goods and services offered.

South Boston contains two other shopping districts, East Broadway and Andrew Square. The East Broadway district includes all the goods and services needed by the community, except a large department store and furniture store. The area is in relatively good condition, although additional parking is needed. Most customers are from the immediate area and walk to do their shopping.

Andrew Square is the smallest of South Boston's shopping areas. Businesses here are primarily directed toward local neighborhood needs, such as convenience food items and small restaurants. The vacancy rate for retail stores is high (28%) and the area is in generally poor condition.

(b) South Boston Shopper Survey

In 1976, the BRA conducted a survey of shoppers in South Boston in order to determine shopping patterns and needs of consumers. The survey consisted of 63 on-the-street interviews in the West Broadway district between E Street and Dorchester Street. The survey methodology was thus partially responsible for the conclusion that customers generally live within walking distance and use the West Broadway district for convenience item shopping, such as food, drugs and some clothing.

Other results indicated that most of those surveyed shop for food within South Boston:

Table 5: Food Shopping*

South Boston	
West Broadway	51%
East Broadway	30%
Morrissey Boulevard	8%
Neponset Circle	10%
Other	1%

* Some respondents listed more than one shopping area.

3. Columbia-Savin Hill

(a) Competitive Retail Facilities

Dorchester Avenue: Seventy eight retail businesses are located on Dorchester Avenue between the Expressway and Freeport Street. Since Dorchester Avenue originally developed as a "strip" to serve the local residents, the majority of the shops are small, neighborhood-oriented facilities.

Table 6: Existing Retail Space - Dorchester Avenue

<u>Type of Store</u>	<u>Number of Stores</u>	<u>Floor Space (Sq.Ft.)</u>	<u>% of Space</u>
Food	10	14,535	12.8
Eating & Drinking	15	16,950	14.9
Drug	1	940	0.8
Auto & Gasoline	8	15,675	13.8
General Merchandise	10	15,562	13.7
Building & Hardware	5	18,634	16.3
Personal Services	11	7,585	6.7
Service Stores	11	16,225	14.2
Vacant	<u>7</u>	<u>7,701</u>	<u>6.8</u>
TOTAL STORES	78	113,807	100.0

There are two distinct types of businesses on Dorchester Avenue: (1) the small shop, frequently family run, which serves customers from the immediate area; and (2) the larger businesses, which are auto-oriented and have a city-wide clientele. The majority of the smaller businesses whose customers are local area residents are just breaking even, while those which are profitable are the larger businesses with clients throughout the city.

Problems for the Dorchester Avenue district include lack of parking and general appearance of decline, but many businessmen have recently invested in improvements to their stores and the Dorchester Avenue Revitalization Program will include improvements to the road and general area. The advantage which these smaller stores have over the large centers on Morrissey Boulevard is their convenience to customers' homes, so that residents of the Dorchester Avenue area can use these stores for small items needed immediately, such as bread or milk, or for local services, such as a haircut. The sub shops and bars on Dorchester Avenue are also used as social gathering places for the neighborhood.

Of 100 Columbia-Savin Hill residents surveyed in the Spring of 1978, 7 felt Dorchester Avenue needed a large supermarket; 5 wanted more drug stores; 5 a laundry; 4 a restaurant, 4 a hardware store and 3 a clothing store. Residents also ex-

pressed a need for car repair, shoe repair, fish market, 5¢ & 10¢ store, ice cream store, and fresh dairy and vegetable stores.

Uphams Corner: The Uphams Corner business district is an important local center for convenience shopping and banking, despite the loss of trade to the newer, auto-oriented stores on Morrissey Boulevard. In addition to offices of five banks, the Uphams Corner district includes: four food stores, two drug stores, eight clothing and shoe stores, six personal service establishments, and 35 other retail and service businesses. Uphams Corner is also the location of 13 non-profit service agencies, including a health center, public library, and post office.

Three off-street parking lots are provided by the City of Boston, Uphams Corner Market, and First American Bank for Savings.

Like many other urban neighborhood shopping areas, at least as many people come by foot or public transportation as by car. Uphams Corner is served by three heavily used bus routes and a commuter train station. In a late 1977 survey, Uphams Corner merchants reported some 80% of their customers arriving by foot or bus.

Morrissey Boulevard: The businesses which have developed along Morrissey Boulevard are oriented toward customers who arrive by car to do major weekly shopping. These stores include two large grocery stores, a discount department store, and several smaller related stores. Services in this area include some family style restaurants, a movie theater, two banks, several gas stations and auto dealerships. The market area for Morrissey Boulevard currently includes South Boston and Dorchester. The district's advantages include the new, attractive stores and adequate parking facilities. The area has grown very rapidly and is unable to expand further due to its proximity to residential properties.

(b) Columbia-Savin Hill Shopping Patterns

The BRA conducted a detailed survey of Columbia-Savin Hill residents in 1977 which provided information on shopping patterns in this district. Residents were asked where they did the majority of their shopping for food, clothing, and pharmaceuticals and where they did their banking. Of the 146 residents sampled, only twelve mentioned Dorchester Avenue as the place where major food shopping is done. Forty-five percent go to the large supermarkets on Morrissey Boulevard. Other major shopping areas include: Uphams Corner-5%, Gallivan Boulevard-5%, Fields Corner-15% and downtown-15%.

Since there are no clothing shops or banks on Dorchester Avenue in Columbia-Savin Hill, 50% of those interviewed shop

downtown; 30% in suburban centers; 5% in Fields Corner and 12% on Morrissey Boulevard or Fields Corner. Over 60% of those interviewed fill their prescriptions at drug stores on Dorchester Avenue.

4. Columbia Point

(a) Columbia Point Tenant Survey

In 1976, a survey of all of the tenants of Columbia Point was conducted by the BHA, part of which concerned resident shopping habits. A total of 257 residents responded to the survey, 37 elderly and 220 family households. Of the families, 66% are black, 32% hispanic, and 2% white. The survey asked where each family or resident shopped for food, clothing and drugs, and also asked how the person got to the store.

Table 7: Columbia Point Family Food Shopping

<u>Location</u>	<u>%</u>
Morrissey Boulevard	18%
Uphams Corner	16%
Gallivan Boulevard (Stop & Shop)	12%
Roxbury (Stop & Shop)	12%
Finast	10%
1st National	8%
Waltham	7%
Dudley	6%
Other	11%
TOTAL	100%

Residents with a car tend to shop on Morrissey Boulevard or in Roxbury, while those dependent on buses or taxi services go to Uphams Corner or Gallivan Boulevard.

Table 8: Columbia Point Clothing Shopping

<u>Location</u>	<u>%</u>
Morrissey Boulevard	38%
Downtown	36%
Dudley	11%
Uphams Corner	5%
Washington Park	5%
Other	5%
TOTAL	100%

Residents with a car generally shop for clothes on Morrissey Boulevard while those without a car go downtown or to Dudley.

Table 9: Columbia Point Prescription Shopping

<u>Location</u>	<u>%</u>
Columbia Pt. Health Center	61%
Uphams Corner	8%
Downtown	6%
Roxbury	11%
Other	14%
TOTAL	100%

The majority of Columbia Point residents use the Columbia Point Health Center for prescription purchases. Purchases in other places tend to coincide with clothing purchases, especially downtown or at Dudley.

Table 10: Transportation by Type of Shopping Trip

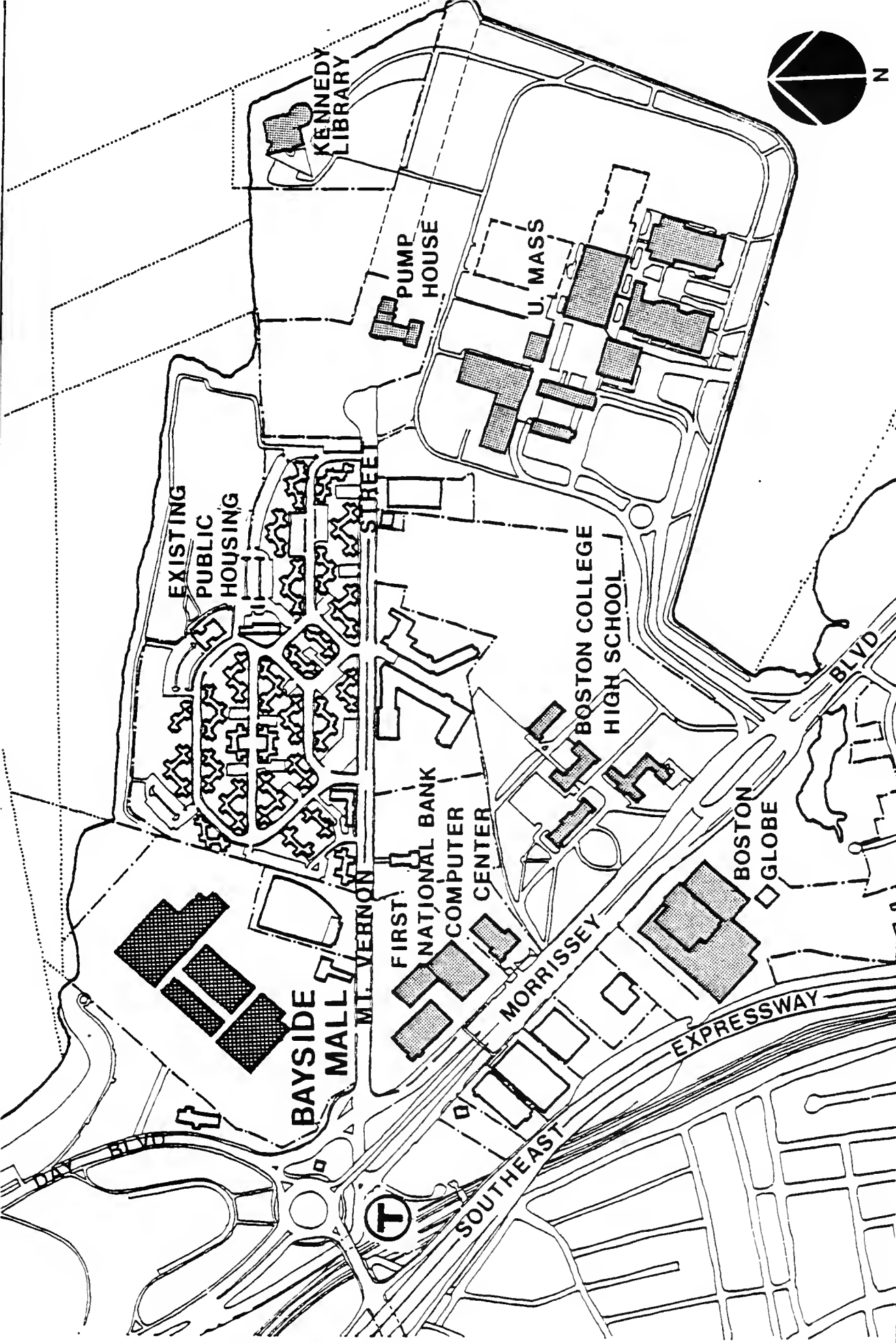
	<u>Car</u>	<u>MBTA</u>	<u>Taxi</u>	<u>Walk</u>	
<u>Food</u>	43%	24%	33%	--	100%
<u>Clothing</u>	30%	47%	23%	--	100%
<u>Pre- scriptions</u>	12%	17%	9%	62%	100%

Columbia Point Elderly -- Shopping Patterns: The elderly at Columbia Point tend to use the MBTA more often than families - over 50% in every case. Black elderly residents follow similar shopping patterns to the families; food shopping is done in Roxbury or Uphams Corner; clothing is bought downtown and drug purchases are made at the Columbia Point Health Center. White elderly residents do their shopping primarily in South Boston; over 50% in each case.

(b) Institutional Retail Demand (See Map 4)

Kennedy Library: Visitors to the Kennedy Library (estimated 650,000 visitors per year) will have access to the mall via Mt. Vernon Street, but the Pumping Station is a more appropriate location for stores aimed at the tourist trade. Unnecessary traffic through the housing development will be discouraged and therefore the impact of Library visitors on the Bayside Mall market will be minimal.

University of Massachusetts (current: 7,000 students and 1,000 staff; proposed: 10,000 students and 1,200 staff): The U/Mass facilities include two student cafeterias, a staff cafeteria, faculty club, bookstore and student-run concession stand and used bookstore. Thus, the immediate needs of students are taken care of within the campus. Currently, there is little access to Bayside Mall, since the U/Mass shuttle only



MAP 4

COLUMBIA POINT
EMPLOYEE & INSTITUTIONAL RETAIL DEMAND

BOSTON REDEVELOPMENT AUTHORITY

goes from U/Mass to Bayside Mall on Fridays to facilitate employee banking. The mall will only be used by students if access is improved and the renovated pumphouse would capture much of the potential student convenience trade.

Staff members might be somewhat more likely to use Bayside for lunch and lunch-time errands. New transit alternatives will improve access from U/Mass to Bayside, facilitating this type of use.

If the Pumping Station is developed with some retail space, both students and staff would be more likely to patronize it because of the more convenient access. The Pumping Station would probably be an effective site to draw demand from both U/Mass and the Kennedy Library.

Boston College High School: B.C. High with 3,200 students and staff is in a similar position to U/Mass and would also have a limited impact on the Bayside Mall market.

(c) Morrissey Boulevard Employee Retail Demand (existing: 4,550 employees -- proposed: 5,500-6,000 employees)

The primary retail demand created by employees of businesses on Columbia Point will be for luncheon-style restaurants and stores to do errands, i.e., banks, stationary and drug stores. Demand will also be limited by the fact that the First National Bank has compensated for the lack of a retail facility nearby by providing employees with a cafeteria, branch bank, mini-theater, book and card shop and recreational facilities. In addition, the Boston Globe contains an employee cafeteria.

D. ESTIMATED RETAIL DEMAND

In order to determine the annual retail demand for each market area (see Table 11) the following formula was used:

Total Annual Retail Sales Demand =

(Disposable median family income) X (no. of households) X (percent of income spent on each retail category) X (capture ratio for Bayside Mall).

Disposable Family Income =

(1978 median family income) X (0.80 adjustment for tax deductions).

Number of Families -- taken from 1970 Census (see Table 1)

Percentage of Income Spent on Each Retail Category -- taken from a Bureau of Labor Statistics Report from 1964. While these data are somewhat outdated, consumption patterns probably have not changed significantly enough to seriously affect the results.

TABLE 11: COLUMBIA POINT ESTIMATED RETAIL DEMAND

Type of Store	Projected Capture Rate				Local Employees	Total Annual Retail Sales Demand*	Retail Space Supportable (Square Feet)	Recommended Stores (Square Feet)
	Columbia-Point Residents		Columbia-Point Residents	South Boston				
	Savin Hill	40%						
Supermarket	30%	40%	75%	-	\$ 8,461,300	85,000	35,000	
Hardware Store	20%	20%	50%	-	233,200	7,800	5,000	
Drug Store	25%	25%	50%	5%	1,320,700	22,000	10,000	
Barber Shop	-	-	60%	-	37,000	750	1,000	
Beauty Shop	-	-	60%	-	86,400	2,150	1,000	
Discount Dept. Store	25%	25%	50%	-	3,579,300	71,600	80,000	
Clothing-								
Mens	-	-	10%	-	18,500	300	-	
Womens	-	-	10%	-	36,300	675	-	
Books/Stationary	-	-	25%	5%	18,400	350	1,000	
Restaurant	10%	10%	10%	10%	819,700	15,000	12,000	
Entertainment/Movies	10%	10%	25%	-	736,600	14,600	7,000	
TOTAL ALL TYPES OF STORES					\$15,347,400	220,225	152,000	

*Based on U.S. Department of Commerce National Shopping Pattern Data

Capture Ratio for Bayside Mall --

This is the most subjective element of the equation. Data from the Bayside Mall Survey of 1977 were used to provide an initial estimate. For South Boston and Columbia-Savin Hill it was assumed that shoppers who went to Morrissey or Gallivan Boulevards would probably prefer to shop at Bayside; this figure was 37% for South Boston and 62% for Columbia-Savin Hill. Neighborhood planners then offered input on the strengths of their neighborhood shopping areas and what demand Bayside could expect to capture. Residents of Columbia Point were assumed to be the only users for convenience-type stores and employee demand was limited to the types of items which might be bought on lunch-time errands.

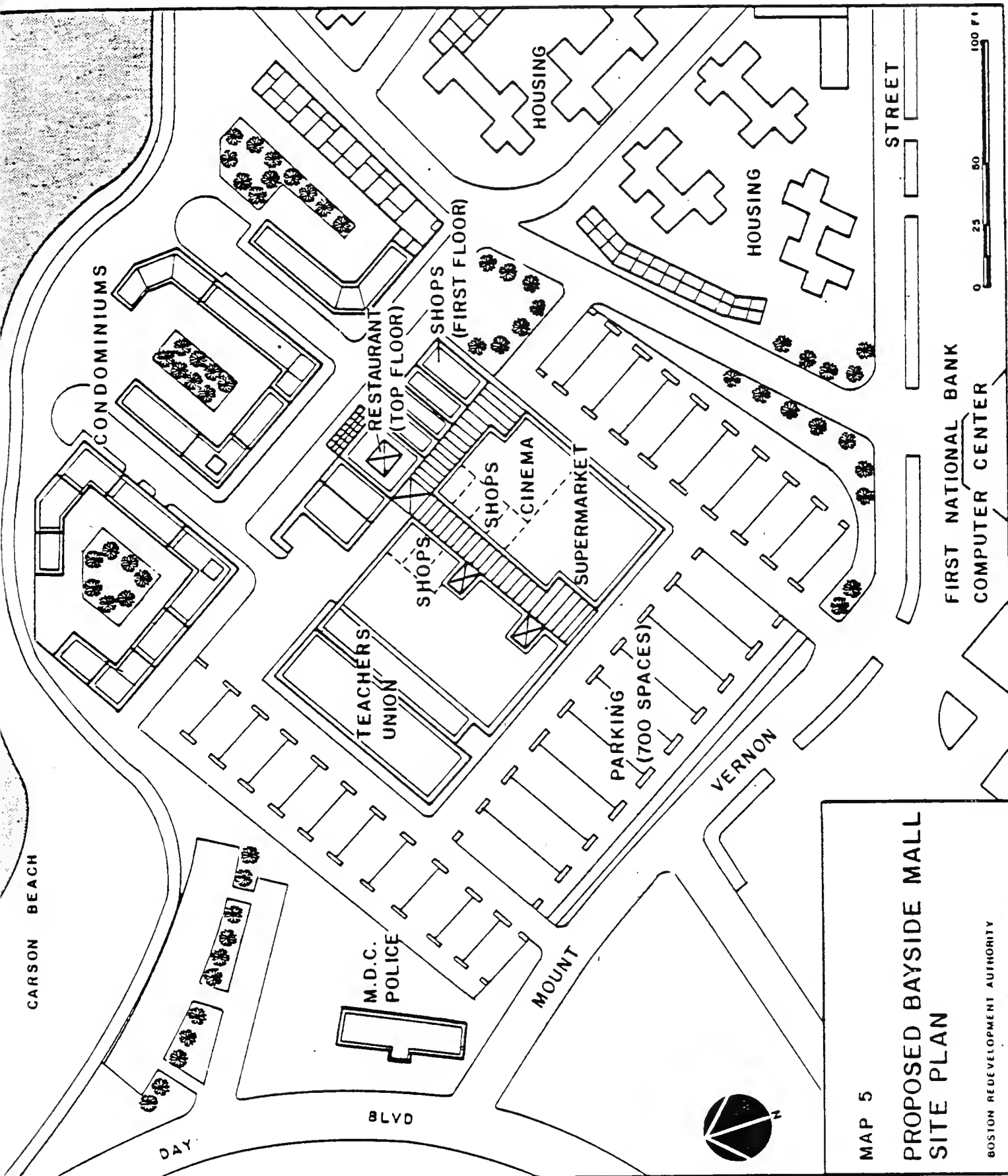
After determining the total demand, the supportable square footage was determined by using Bureau of Labor Statistics data on the sales per square foot of retail space needed to support the store. A more detailed feasibility analysis would be conducted by any potential retail developer to determine the exact mix and phasing of retail development.

As shown on Table 11, it is estimated that a total of \$15.3 million of annual retail sales could be captured at Bayside Mall. This would easily support a supermarket (35,000 sq.ft.), hardware store (4,500 sq.ft.), drug store (7,000 sq.ft.), barber shop (1,000 sq.ft.), beauty shop (1,000 sq.ft.), discount department store (80,000 sq.ft.), stationary/ bookstore (1,000 sq.ft.), restaurant(s) (12,000 sq.ft.) and mini-theatre (7,000 sq.ft.).

E. PROPOSED SITE PLAN

The proposed site plan (see Map 5) should aim to:

1. Emphasize the Mall's orientation toward the major roads, facilitating access and visibility.
2. Maximize use of existing buildings. Some new construction will be necessary, but the use of existing buildings would avoid the need for expensive new foundations.
3. Provide strong links between the supermarket, related convenience stores and the housing. A landscaped buffer area should be provided to prevent the negative impacts such as truck noise, from affecting the housing.
4. Encourage use by area office employees. The mix of stores, plaza, pedestrian and bus access to the Mall should be designed to attract lunch hour employees from the area businesses.
5. Maintain the Teacher's Union as a tenant of the center.
6. Maximize security for shoppers.
7. Provide an interior pedestrian mall.



MAP 5
**PROPOSED BAYSIDE MALL
 SITE PLAN**
 BOSTON REDEVELOPMENT AUTHORITY

FIRST NATIONAL BANK
 COMPUTER CENTER



The Boston Zoning Code requires three parking spaces per 1,000 square feet of retail space, requiring a minimum of 450 parking spaces for the proposed retail uses. If a discount department store is located in the renovated mall, it is recommended that 600 parking spaces be provided in addition to parking for the Teachers Union (100 spaces).

F. ESTIMATED EMPLOYMENT

Given a proposal which includes a supermarket, discount department store, restaurant(s), movie theatre and 10-12 small shops, approximately 400-500 jobs would be created by the retail facilities alone (see Table 12). This does not include general maintenance positions.

Table 12: Estimated Retail Employment at Mall

Supermarket	150-200 employees
Discount Dept. Store	150-200 employees
Restaurant(s)	25- 40 employees
Movie Theatre	5- 10 employees
Small Shops	<u>50- 75 employees</u>
TOTAL	380-525 employees

Many of these positions would be part-time rather than full-time, possibly providing needed jobs for area teenagers after school.

G. COMPARABLE RETAIL RENT LEVELS

For space comparable to Bayside Mall in metropolitan Boston, a supermarket would pay a net rent (after taxes, general maintenance and insurance) of \$4.50-\$5.00 per square foot, a discount store \$3.50-\$4.00 and smaller stores \$6.00-\$7.00. Any initial fix-up costs would lower that figure somewhat.

H. CONCLUSIONS AND RECOMMENDATIONS

As can be seen from the enthusiasm of respondents who wished to visit the mall in case of re-opening (79%), Bayside Mall is very well located for market absorption. Internal security and management problems were major factors behind the closing of Bayside Mall. In addition, the mall was located too close to downtown Boston to compete for a larger regional market.

As indicated in Table 11, a total of 152,000 square feet of retail space is recommended at Bayside Mall. It is proposed that these retail establishments be anchored by a discount department store and a supermarket or food warehouse.

It would also include convenience stores such as a drug store, cleaners, hardware store, barber shop, beauty shop and small restaurants. The new retail space should be a community-oriented center serving Columbia Point and its immediate environs.

A first prerequisite to reopening a portion of Bayside Mall is a change in the image of the public housing development. The present housing density should be reduced substantially; the exteriors of the remaining buildings significantly modified through landscaping and addition of new balconies, bay windows and entrances; and new housing should be constructed along the edge of the existing housing parcel that faces the Mall.

Architecturally the existing Mall buildings are well constructed and are in decent condition. Only cosmetic changes would be required in order to reuse the existing mall buildings. A change in the center's name would be preferable in order to overcome previous prejudices.

Certain changes which would improve the "workability" of Bayside Mall are:

1. Interior Enclosed Mall

An enclosed mall would protect customers from bad weather.

2. Mall Design

Security should be improved by creating limited, well-defined entries and exits. Shopper and delivery access should be separated, but be clear and simple.

3. Shopping Hours

In order to compete with other malls in the surrounding area, Bayside Mall has to be open nights until 9:00 or 10:00 p.m. A diversity of uses that attract night life, such as cinemas and restaurants, would improve night-time security.

4. Quantity and Variety of Stores

In order for the mall to compete with local stores, a variety of stores must be included so that shoppers can do all of their weekly shopping in one trip and in one area. For Bayside Mall to offer this convenience, it should include a grocery store, hardware store, discount department store, discount drug store, restaurant and possibly a cinema.

Recent designation of Bayside Mall as a Commercial Area Revitalization District (CARD) by the City and State makes retail development here eligible for longer-term, lower-interest, tax-exempt bond financing. The first phase of retail development should occur in the more visible front buildings, the ones closest to Mt. Vernon Street. This should comprise approximately 60,000 square feet, but should be capable of expanding to 150,000 square feet. The first phase would be prime service retail consisting of a 35,000 square foot supermarket or food warehouse, 10,000 square foot drug store, branch bank and other service type establishments.

Road access to Bayside Mall needs to be greatly improved in order to realize the full potential of the retail center. Vehicular access from the north and west is particularly poor. Planned development of a Quincy Line platform at Columbia Station would also be of some help in the development of retail space at Bayside Mall.

Future construction of higher-priced condominiums behind the Mall adjacent to the shore will be a major higher per capita market immediately adjacent to the retail center.

CITY OF BOSTON

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BOSTON REDEVELOPMENT AUTHORITY

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COLUMBIA POINT PROJECT STAFF

James A. Baecker, Project Coordinator

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APPENDIX 14
Citizen Participation
Process: Public Notice
of Advertisements

APPENDIX 14

CITIZEN PARTICIPATION PROCESS:

PUBLIC NOTICE OF ADVERTISEMENTS

There was public notice of two public hearings prior to the July 31, 1982 UDAG submission for the Columbia Point Peninsula Revitalization Program. Timely notices appeared in the following Boston Newspapers:

- Boston Herald 7/8/82, 7/15/82
- Dorchester Argus 7/8/82, 7/15/82
- South Boston Citizen 7/8/82, 7/15/82
- La Semana 7/8/82, 7/15/82
- El Mundo 7/8/82, 7/15/82
- Bay State Banner 7/15/82

**CITY OF BOSTON
NOTICE OF TWO
PUBLIC HEARINGS
URBAN DEVELOPMENT
ACTION GRANT PROGRAM
FIRST AND SECOND
PHASES OF THE
COLUMBIA POINT
MULTI-USE**

DEVELOPMENT PROJECT
Under the Housing and Community Development Act of 1977, the City of Boston is applying for Urban Development Action Grant (UDAG) funds. These funds, which will be awarded on a competitive basis to various municipalities in the country, can be used to stimulate new and increased private investments for the purposes of revitalizing local economies and reclaiming deteriorated neighborhoods. By statute the Mayor is responsible for development of the Boston Urban Action Grant application.

There will be two public hearings prior to official action authorizing submission of the application. The first will be held on Thursday, July 15, 1982, at 7:30 P.M. in the Boston Teachers Union Function Hall, 180 Mt. Vernon Street, Columbia Point. The second hearing, which is mandated prior to official action authorizing submission of the application, will be held on Wednesday, July 21, 1982, at 10:00 A.M. in City Council Chambers, Boston City Hall, before the City Council Committee on Planning, Development and Housing, Bruce Bolling, Chairman. At these hearings citizen testimony regarding the application will be received.

Brief presentations will be made at the hearings describing the first phase development — the proposed rehabilitation of the Bayside Mall Buildings by the developers, Bayside Associates, a joint venture of Corcoran, Mullins, Jennison, Inc. and O'Connell Development Company, Inc. to accommodate permanent trade and multi-use exhibition space uses, and the second phase — to provide for the development of new housing and commercial uses.

To insure that Boston's application will reflect neighborhood needs and priorities, the City of Boston urges that residents express their opinions concerning the application. Urban Development Action Grant Funds will be allocated in accordance with Federal Equal Opportunity and Civil Rights Laws, Regulations and Requirements. Those unable to attend are welcome to submit comments in writing to:

Boston Redevelopment Authority
1 City Hall Plaza
Boston, MA 02201
Attn.: Martha Bailey,
Project Coordinator

OR

Boston City Council
Committee on Planning,
Development and Housing
1 City Hall Plaza
Boston, MA 02201
Attn.: Bruce Bolling, Chairman

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**CITY OF BOSTON
NOTICE OF TWO PUBLIC HEARINGS
URBAN DEVELOPMENT ACTION
GRANT PROGRAM**

**FIRST AND SECOND PHASES OF THE COLUMBIA
POINT MULTI-USES DEVELOPMENT PROJECT**

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**CITY OF BOSTON
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PROGRAM - FIRST & SECOND PHASES
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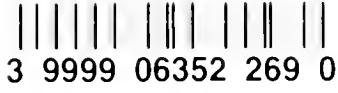
1 City Hall Plaza, Boston, MA 02201

Attn: Bruce Bolling, Chairman

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